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Official Report of Debates (Hansard)

Thursday 15 September 2016

Journal des débats (Hansard)

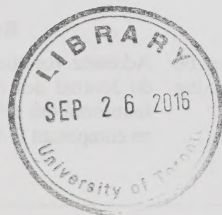
Jeudi 15 septembre 2016

**Standing Committee on
Finance and Economic Affairs**

**Comité permanent des finances
et des affaires économiques**

Organization

Organisation



Chair: Peter Z. Milczyn
Clerk: Eric Rennie

Président : Peter Z. Milczyn
Greffier : Eric Rennie



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The proceedings of the 100th Legislature

The Chair (Mr. Peter Z. Milczynski): Good morning everyone. Welcome back from the summer. The purpose of this morning's meeting is two items of business.

ELECTION OF VICE-CHAIR

The Chair (Mr. Peter Z. Milczynski): The Clerk has received a notice from Mr. Baker that he has resigned his position as Vice-Chair of the assembly.

Mr. Yves Baker: The weight of the responsibility was overwhelming me.

Mr. Victor Fekete: You can't expect to leave it.

The Chair (Mr. Peter Z. Milczynski): The 100th Legislature will be closed, I think.

It is my duty to announce a motion for a new Vice-Chair. Are there any nominees? Mr. Fekete.

Mr. Anne Haggard: I would like Mr. Thomas Varcoe to be appointed Vice-Chair of the assembly.

The Chair (Mr. Peter Z. Milczynski): A motion is being moved by Mr. Haggard to elect this individual.

Mr. Catherine Fife: Has Mr. Varcoe accepted the nomination?

Mr. Anne Haggard: Yes. He's got an acceptance letter stating he has, sir.

The Chair (Mr. Peter Z. Milczynski): Is there any further debate? Has the nomination been agreed?

All those in favour of the motion? Opposed? The motion is carried.

APPOINTMENT OF A SUBCOMMITTEE

The Chair (Mr. Peter Z. Milczynski): The second item of business is that, as a result of changes in the membership's membership of the 100th Legislature, we are withdrawing the committee known as the Affinity of a group consisting of the members. We need a committee to look at the Affinity. Are there any nominees?

Mr. Les Macdonald: I would like Mr. Baker to be appointed to the committee on the Affinity.

The Chair (Mr. Peter Z. Milczynski): A motion has been made. Is there any debate on this motion? Shall we vote?

All those in favour of the motion? All those opposed? The motion carries.

Mr. Fife.

Mr. Catherine Fife: Just a question, Chair. Do we know whether we will be officially meeting again?

The Chair (Mr. Peter Z. Milczynski): This is the question. It is a good question. I will endeavour to find out for you.

Mr. Catherine Fife: Thank you.

The Chair (Mr. Peter Z. Milczynski): Mr. Fife.

Mr. Victor Fekete: On that point, I have got a question regarding the committee. They are not fully defined in the constitution of the House.

The Chair (Mr. Peter Z. Milczynski): Not me.

Mr. Victor Fekete: As when we are going to talk about the 100th Legislature's constitution? We really should get around to considering that as far as you know, in the 100th House, the Committee was actually placed. I think that was your duty at the time and we are going to put that on the agenda. It's not a question of looking at the House, and then it's confirmed with some of the other committees were meeting. The kind of thing when it's going to be, we should really think about looking at it.

The Chair (Mr. Peter Z. Milczynski): Mr. Baker.

Mr. Yves Baker: This is a good question. I'm wondering whether the committee we should get to the 100th Legislature—does that committee have a list and then you're stuck with that?

Mr. Victor Fekete: That's kind of what I'm going with. It's going to be "Yes, yes, yes," and then in the next week of December we're attending, the Clerk doesn't want to say yes, and it's after a time, it will be.

The Chair (Mr. Peter Z. Milczynski): It's a good question. I've been asked if I could do more about that. So we will be in the next week. There, actually, a subcommittee, reporting to us on that.

There being no further business, the adjournment is announced.

The proceedings end at 10:00.

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Thursday 15 September 2016

Jeudi 15 septembre 2016

The committee met at 0901 in room 151.

The Chair (Mr. Peter Z. Milczyn): Good morning, everyone. Welcome back from the summer. The purpose of this morning's meeting is two items of business.

ELECTION OF VICE-CHAIR

The Chair (Mr. Peter Z. Milczyn): The Clerk has received a notice from Mr. Baker that he has resigned his position as Vice-Chair of the committee.

Mr. Yvan Baker: The weight of the responsibility was overwhelming me.

Mr. Victor Fedeli: You can't cope? Come on.

The Chair (Mr. Peter Z. Milczyn): No, he had difficulties with the Chair, I think.

It's my duty to entertain a motion for a new Vice-Chair. Are there any motions? Ms. Hoggarth.

Ms. Ann Hoggarth: I move that MPP Daiene Vernile be appointed Vice-Chair of the committee.

The Chair (Mr. Peter Z. Milczyn): A motion is being moved by Ms. Hoggarth. Is there any debate?

Ms. Catherine Fife: Has Ms. Vernile accepted the nomination?

Ms. Ann Hoggarth: Yes. She's at an announcement this morning, but yes, she has.

The Chair (Mr. Peter Z. Milczyn): Is there any further debate? No? Are the members ready to vote?

All those in favour of the motion? Opposed? The motion is carried.

APPOINTMENT OF SUBCOMMITTEE

The Chair (Mr. Peter Z. Milczyn): The second item of business is that as a result of changes in the committee's membership, it has left a vacancy on our subcommittee on committee business, as Mrs. Albanese is no longer a member of the committee. We need a motion to replace Mrs. Albanese. Are there any motions?

Mr. Lou Rinaldi: I move that Mr. Baker replace Mrs. Albanese on the subcommittee on committee business.

The Chair (Mr. Peter Z. Milczyn): A motion has been made. Is there any debate? No further debate. Shall we vote?

All those in favour of the motion? All those opposed? The motion carries.

Ms. Fife.

Ms. Catherine Fife: Just a question, Chair: Do we know when we will be officially meeting again?

The Chair (Mr. Peter Z. Milczyn): Not at this point, but it is a good question. I will endeavour to find out for you.

Ms. Catherine Fife: Thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Fedeli.

Mr. Victor Fedeli: On that point: I know we have no committee business because there are no bills destined to our committee at this point.

The Chair (Mr. Peter Z. Milczyn): Not yet.

Mr. Victor Fedeli: So when are we going to talk about the pre-budget consultations? We really should get around to scheduling them so that we can make, to be quite frank, some Christmas and holiday plans. I know that last year many of us went ahead and made our plans because the committee never got around to picking the dates, and then it conflicted with some on all three sides who were travelling. We kind of know when it's going to be, so we should really think about nailing it down.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: This is a good discussion. I'm wondering whether this is something we should move to the subcommittee—have that discussion there first and then bring it back, if that's okay.

Mr. Victor Fedeli: That's kind of where I'm going with it. We always say, "Yes, yes, yes," and then in the last week of December, we're scrambling, the Clerks don't have time to buy ads, and it's always a mess. It really is.

The Chair (Mr. Peter Z. Milczyn): It's a point well taken. I've been seized of it myself, thinking about that. So we will, in the very near future, schedule a subcommittee meeting to go into that.

There being no further business, the committee is adjourned.

The committee adjourned at 0905.

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

Chair / Président

Mr. Peter Z. Milczyn (Etobicoke–Lakeshore L)

Vice-Chair / Vice-Présidente

Ms. Daiene Vernile (Kitchener Centre / Kitchener-Centre L)

Mr. Yvan Baker (Etobicoke Centre / Etobicoke-Centre L)

Mr. Toby Barrett (Haldimand–Norfolk PC)

Mr. Han Dong (Trinity–Spadina L)

Mr. Victor Fedeli (Nipissing PC)

Ms. Catherine Fife (Kitchener–Waterloo ND)

Ms. Ann Hoggarth (Barrie L)

Mr. Peter Z. Milczyn (Etobicoke–Lakeshore L)

Mr. Lou Rinaldi (Northumberland–Quinte West L)

Ms. Daiene Vernile (Kitchener Centre / Kitchener-Centre L)

Substitutions / Membres remplaçants

Mr. Robert Bailey (Sarnia–Lambton PC)

Clerk / Greffier

Mr. Eric Rennie

Staff / Personnel

Ms. Susan Viets, research officer,
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Second Session, 41st Parliament

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Deuxième session, 41^e législature

Official Report of Debates (Hansard)

Thursday 20 October 2016

Journal des débats (Hansard)

Jeudi 20 octobre 2016

Standing Committee on Finance and Economic Affairs

Subcommittee report

Comité permanent des finances et des affaires économiques

Rapport du sous-comité

Chair: Peter Z. Milczyn
Clerk: Eric Rennie

Président : Peter Z. Milczyn
Greffier : Eric Rennie

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRS****COMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES**

Thursday 20 October 2016

Jeudi 20 octobre 2016

*The committee met at 0905 in room 151.***ELECTION OF VICE-CHAIR****The Clerk of the Committee (Mr. Eric Rennie):**

Good morning, honourable members. In the absence of the Chair, it is my duty to call upon you to elect a Vice-Chair for the committee, since the position is currently vacant. Are there any nominations for Vice-Chair? Mr. Rinaldi.

Mr. Lou Rinaldi: I move that Ms. Hoggarth be appointed Vice-Chair of the committee.

The Clerk of the Committee (Mr. Eric Rennie): Does the member accept the nomination?

Ms. Ann Hoggarth: Yes.

The Clerk of the Committee (Mr. Eric Rennie): Are there any further nominations for Vice-Chair? There being no further nominations, I declare the nominations closed and Ms. Hoggarth elected Vice-Chair of the committee.

Ms. Hoggarth, would you like to come and take the seat?

The Vice-Chair (Ms. Ann Hoggarth): Good morning, and thank you very much.

SUBCOMMITTEE REPORT

The Vice-Chair (Ms. Ann Hoggarth): We'll now move to the second item on the agenda, which is the report of the subcommittee on committee business. The Clerk has distributed copies of the report to each of you. Would someone like to move the report and read it into the record in full?

Ms. Catherine Fife: I'll move it.

The Vice-Chair (Ms. Ann Hoggarth): MPP Fife.

Ms. Catherine Fife: Your subcommittee on committee business met on Wednesday, October 5, and Wednesday, October 12, 2016, to consider the method of proceeding with pre-budget consultations 2017, and recommends the following:

(1) That the committee hold pre-budget consultations in Toronto on December 1 and 8, 2016, during its regular meeting times.

(2) That the committee hold pre-budget consultations in Dryden, Sudbury, Ottawa, and Windsor on December 12, 13, 14 and 15, 2016.

(3) That the committee hold pre-budget consultations in Toronto, Peel region and London on January 18, 19 and 20, 2017.

(4) That the committee meet for the purpose of report writing in Toronto on February 13 and 14, 2017.

(5) That the Chair, on behalf of the committee, request the House leaders to authorize the committee to meet for up to seven days during the winter adjournment for the purpose of pre-budget consultations, and up to two days for the purpose of report writing.

(6) That the Clerk of the Committee, with the authorization of the Chair, post information regarding the pre-budget consultations on the Ontario parliamentary channel, on the Legislative Assembly's website and with Canada NewsWire.

(7) That the Clerk of the Committee, with the authorization of the Chair, place an advertisement in the Turtle Island News and a major newspaper for one day in each of the cities where the committee intends to hold pre-budget consultations, and that the advertisements be placed in both English and French papers where possible.

(8) That interested people who wish to be considered to appear before the committee contact the Clerk of the Committee by 12 noon on November 28, 2016.

(9) That, following the deadline for requests, the Clerk of the Committee provide the subcommittee members with an electronic list of all potential witnesses who have requested to appear before the committee.

(10) That the Clerk of the Committee be authorized to schedule all interested witnesses in a location, if all requests received by the deadline can be accommodated.

(11) That, if all requests to appear cannot be accommodated in any given location, each of the subcommittee members supply the Clerk of the Committee with a prioritized list of witnesses chosen from the Clerk's list, and that the scheduling be done in the order of the government, the official opposition and the third party.

(12) That late requests from interested witnesses be accommodated on a first-come, first-served basis, space permitting.

(13) That the deadline for written submissions be 5 p.m. on the last day of public hearings.

(14) That, with the exception of procedural motions during public hearings, the committee consider all other motions during report writing.

0910

(15) That the committee authorize one staff person from each recognized party to travel with the committee, space permitting, for the purpose of pre-budget consultations and that reasonable expenses incurred for travel, accommodation and meals be paid for by the committee upon receipt of a properly filed expense claim.

(16) That the research officer provide a draft report to the committee by February 9, 2017.

(17) That the Clerk of the Committee, in consultation with the Chair, be authorized to make any arrangements necessary to facilitate the committee's proceedings.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, MPP Fife. Is there any discussion? MPP Baker.

Mr. Yvan Baker: I don't know if this is now the time in the agenda, Chair, but I would like to move a few amendments to the report, if possible.

The Vice-Chair (Ms. Ann Hoggarth): Yes, that would be fine.

Mr. Yvan Baker: Okay.

Interjection.

The Vice-Chair (Ms. Ann Hoggarth): Oh, sorry. MPP Fedeli?

Mr. Victor Fedeli: Thank you, Chair. I've got a couple of different areas. Number one, we had been discussing whether the witnesses will have five minutes or 10 minutes and whether each party will do it or one party will do it. I don't know where that's covered in here, or whether that's covered in here.

The Vice-Chair (Ms. Ann Hoggarth): I think that will be in the discussion.

Mr. Yvan Baker: I have a motion to that effect.

Mr. Victor Fedeli: Oh, you do? Okay. All right, that's one. Number two, I'll ask the Clerk, if I may. Dryden, Sudbury, Ottawa, Windsor: Is that the travel order?

The Clerk of the Committee (Mr. Eric Rennie): Potentially. Right now—

Mr. Victor Fedeli: It's different than what we had set out earlier. Not by much, but—

The Clerk of the Committee (Mr. Eric Rennie): Dryden, Sudbury, Ottawa—potentially. The way that the subcommittee report has been worded and this motion has been worded allows for that flexibility between those dates, depending on hotel availability, room availability and the charter flight.

Mr. Victor Fedeli: So when will you have that decided?

The Clerk of the Committee (Mr. Eric Rennie): Really, as soon as possible following adoption of the motion, considering if there are any amendments that might affect the requirements for a certain location. But really, the idea is to get this booked up as soon as possible.

Mr. Victor Fedeli: So why I ask is because it's never convenient from the north to try to hook up with you in Toronto to go to Dryden or Fort Frances—you may not know, because you haven't been here in the past. I would

look for the same flexibility this year that has been accorded me in the past years.

For instance, if Windsor happens to be the last stop, I'd like to be able to arrange travel home from Windsor, as opposed to the normal dropping us off. The flights never line up, and I always need an extra day then, either to either travel down to Toronto—we only have very limited flights out of North Bay, so I have to travel Saturday to make the 4 o'clock Sunday flight, which is ridiculous.

With the Chair's signature, I'd like to be able to book the start and the end of the trip and join the trip for the middle. I don't know how we can go about that, but we've done it every year.

The Clerk of the Committee (Mr. Eric Rennie): Sure. I'd be happy to look into these travel options with you and all members.

Mr. Victor Fedeli: Okay.

The Vice-Chair (Ms. Ann Hoggarth): It also will depend on if enough people show up. If there's not two and a half hours of—

Mr. Victor Fedeli: No, no, I'm talking about the first day and the last day.

The Vice-Chair (Ms. Ann Hoggarth): Oh, okay.

Mr. Victor Fedeli: It's only the first and last. The rest I'm fine travelling with everybody, of course, but it's always getting to the first one. The flights out of North Bay never line up with our charter, ever. They never have. I just look for the permission earlier. Of course, on the same thing, we'll be booking hotels. I don't live in Toronto or Peel, so when we do those, we would need reasonable expenses accommodated as well for staying in Toronto.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, MPP Fedeli.

MPP Baker?

Mr. Yvan Baker: I have a number of motions, Chair. First of all, I move that the report of the subcommittee be amended by adding:

“(2.1) That the research officer provide a summary of December consultations to the committee by January 9, 2017.”

The Vice-Chair (Ms. Ann Hoggarth): I do have a package of the amendments here. Mr. Baker, is it okay if we hand them out?

Mr. Yvan Baker: Yes, absolutely.

The Vice-Chair (Ms. Ann Hoggarth): Okay. MPP Fife?

Ms. Catherine Fife: Just on this point, the motion says that you want a pre-budget report—

Interjection.

Ms. Catherine Fife: Excuse me, Toby. A pre-budget—

Interjection.

Ms. Catherine Fife: I'm just trying to make a point, okay? On January 9, you want a pre-budget report from research to the committee on the first set of the delegations? Is that the idea? Because you said January 9.

Mr. Yvan Baker: It's just a summary; I don't want to call it a report.

Ms. Catherine Fife: Oh, okay.

Mr. Yvan Baker: It's just a summary of the consultations. I think we've had that in the past. The idea is that, first of all, it helps those of us on the committee who want to prepare for the next stage to internalize what we've heard. But also, as we go into the next phase of consultations, we'll have before us a summary of what was heard in December. It's just a good reminder as we go into the next phase of consultations.

Ms. Catherine Fife: Okay, thank you.

The Vice-Chair (Ms. Ann Hoggarth): Is there any further discussion on this amendment? Yes, Mr. Barrett.

Mr. Toby Barrett: Yes. Maybe we have had this in the past, like in the middle of hearings, but we've never had it on January 9. In fact, I don't know whether we've had hearings commencing in the new year so early in January. I immediately think: How do some people get back from Florida? It's unusual to be doing this so early in the year.

Mr. Yvan Baker: It's a great point, Toby. I think this is the result of a change to the schedule of consultations, which was changed in part because of the feedback, I think, that many committee members offered up from last year's consultations, which was that we wanted to start them earlier. What's different about this year's, for example, is that we're starting consultations—according to the subcommittee report—in December. So there's a December phase and a January phase.

Because there's a December phase and then there will be approximately two to three weeks that will elapse—or more actually—having the summary will be a good reminder, I think, to members of the committee of what was discussed in December when we go into our January consultations. So it's just a tool. It's a summary that allows the members to be more effective in their roles. That's all. But the change, from your perspective—it is different, and I don't disagree. I think part of that is because of the scheduling of the consultations.

The Vice-Chair (Ms. Ann Hoggarth): MPP Barrett?

Mr. Toby Barrett: Again, I'm not on the subcommittee, but it seems like a good idea to start December 1. No, my only issue was—I don't know about staff, but there's Christmas. Some people do like to have some time off at the beginning of January. I mean, our parliamentary schedule certainly acknowledges that. So to have this committee put people back to work January 9—I just raise that issue. I don't have to write the report for January 9, but—

The Vice-Chair (Ms. Ann Hoggarth): Any further discussion? Okay, are we ready to vote on this amendment? All those in favour of the amendment? Anyone opposed to the amendment? Thank you. The amendment passes.

MPP Baker?

Mr. Yvan Baker: Chair, if I may, I'll go on to the next amendment. Do you all have copies?

The Vice-Chair (Ms. Ann Hoggarth): Yes.

Mr. Victor Fedeli: Now we do.

Mr. Yvan Baker: Okay, good. I move that the report of the subcommittee be amended by adding:

“(2.2) That the summary of December consultations be provided to the Minister of Finance by the Clerk of the Committee.”

The rationale here—again, going back to our subcommittee conversations, but also to prior years' conversations, I think—is that this allows the minister to receive information as soon as possible after we hear it, so that he can consider it as part of his deliberations on the budget.

The Vice-Chair (Ms. Ann Hoggarth): MPP Fife.

Ms. Catherine Fife: I see no trouble with this motion at all. We've bumped everything up because, of course, last year we were doing public consultations and the budget was sort of already being written. We want the Minister of Finance to have whatever information he needs from the public to inform the budget.

The Vice-Chair (Ms. Ann Hoggarth): Any further discussion? All those in favour of the amendment? Opposed? It's carried.

MPP Baker.

Mr. Yvan Baker: I'll move on to the third amendment. I move that the report of the subcommittee be amended by adding:

“(3.1) That the committee meet for consultations only on days where a minimum of 2.5 hours of in-person presentations have been scheduled.”

So, again, the rationale here is—and I think this has been done in the past—just to ensure that if we're booking a charter plane to fly somewhere, that there's a meaningful amount of presenters who are going to be presenting in that location.

0920

The Vice-Chair (Ms. Ann Hoggarth): Any further discussion? MPP Barrett.

Mr. Toby Barrett: To make a decision on this, do we have the information of how many presenters would fill two and a half hours? Because I don't think we have the time, do we?

Mrs. Cristina Martins: I think that will come later on. I think it's—

Interjections.

Mr. Toby Barrett: So how can you make a decision, not having that information?

The Vice-Chair (Ms. Ann Hoggarth): MPP Fife.

Ms. Catherine Fife: I share your concern. We can set this one aside, on when we decide how many people we're going to be seeing. If it's 15 minutes, then that potentially could be 10 presenters, so I think it would be worth listening to 10 presenters.

My recommendation, Madam Chair, is that we pause on this one, we go to the next one, and then we can return back to it.

The Vice-Chair (Ms. Ann Hoggarth): Is everyone okay with that? Okay, we will come back to that. MPP Baker?

Mr. Yvan Baker: I'm moving on to the next amendment. I move that the report of the subcommittee be amended as follows:

That in section 4, the words "February 13 and 14" be struck out and replaced with "February 9, 10 and 16".

The Vice-Chair (Ms. Ann Hoggarth): Any discussion? MPP Fedeli.

Mr. Victor Fedeli: Yes. We had set February 13 and 14 to accommodate the staff. I would prefer first, at least, to hear from them about advancing that to the 9th and 10th, and having to come back to Toronto two different weeks, which I am absolutely not in favour of, by the way.

The Vice-Chair (Ms. Ann Hoggarth): Clerk?

The Clerk of the Committee (Mr. Eric Rennie): Ultimately, as committee staff, if it's the will of the committee, then we would make arrangements here.

Mr. Victor Fedeli: That's not what I asked, though, with all due respect. We talked about moving it to the 13th and 14th to give proper time—

The Vice-Chair (Ms. Ann Hoggarth): I believe this has been discussed with the staff.

Mr. Victor Fedeli: When? I don't remember it being discussed at the committee.

Interjections.

The Vice-Chair (Ms. Ann Hoggarth): MPP Baker?

Mr. Yvan Baker: I wouldn't propose anything that I didn't think was possible, Vic, to your point around timelines and the staff's ability to get things done. But our view is that this is achievable and also ensures that we meet all the various scheduling issues that we are trying to accommodate, and also get the consultations done as soon as possible.

The Vice-Chair (Ms. Ann Hoggarth): Any further discussion?

Mr. Victor Fedeli: Yes.

The Vice-Chair (Ms. Ann Hoggarth): MPP Fedeli.

Mr. Victor Fedeli: It spreads our work over two different weeks as well. That is onerous. I don't live in Toronto. That is very onerous for the people who don't live here. We had it planned. We debated it in subcommittee, as you well recall. We debated it thoroughly, back and forth, up and down, sideways, and agreed on the 13th and 14th. I would respectfully ask that we remain with those dates to accommodate all of us, including the staff.

The Vice-Chair (Ms. Ann Hoggarth): MPP Baker?

Mr. Yvan Baker: Just for clarity, Vic, I think what we discussed at the subcommittee was that I would take back the dates that had been proposed, the ones that are in the subcommittee draft report, but I wouldn't go as far as to say that we agree and we decided on that. I want to make that clear. I agreed to take it back, to weigh all the options, including what was possible for staff as far as report writing.

One of the considerations in our subcommittee discussions was scheduling and getting it done as soon as possible. Number two was making sure that staff could

get it done. This is not unusual, to have report writing split over two weeks.

Mr. Victor Fedeli: Chair?

The Vice-Chair (Ms. Ann Hoggarth): MPP Fedeli.

Mr. Victor Fedeli: If you want it done sooner than later, the 13th and 14th finishes before the one on the 16th, so I do not understand the logic behind this. And I do not understand making us come to Toronto on a Friday, the only day I generally open my office and work in my office in Mattawa, North Bay. That's our tradition; we're there on Fridays. Now you're backing this up to the 16th. I don't understand how that meets your requirement to get it done earlier when we're going to be done on the 14th in the old plan.

The Vice-Chair (Ms. Ann Hoggarth): MPP Fife.

Ms. Catherine Fife: I'm not really sure why we would be rushing the report-writing piece. We've already moved the entire process up significantly, almost by a full month, our consultation and our report writing.

Generally, in past years, we've delivered the finance report either at the end of March or early April. Now we're looking to be done report writing on, potentially, February 10, but maybe February 16. The original dates of the 13th and the 14th, two days together at the beginning of the week, giving research a full three weeks to compile all that data and all that feedback and present it to us to work through, achieves the goal, really, on February 14, of being done the finance committee report. The 16th is actually a later point, as MPP Fedeli has pointed out, so I'm not really sure why we would move it around. The 13th and the 14th—I took it to my House leaders and, even though people are very surprised that this is all happening very early in the year, they understand that having those two days at the beginning of that week actually makes a lot of sense to be productive, I think.

The Vice-Chair (Ms. Ann Hoggarth): MPP Rinaldi?

Mr. Lou Rinaldi: Yes, just a question, I guess, about process. I appreciate what MPP Fedeli is saying, so why do we need three days? Just a question.

The Vice-Chair (Ms. Ann Hoggarth): I think the staff needs three days.

Mr. Lou Rinaldi: They need three days? I'm just curious.

The Clerk of the Committee (Mr. Eric Rennie): If I may, the length for report writing is ultimately up to the committee, depending on if there are any amendments or significant changes to the draft report that's prepared by legislative research. Ultimately, it does not need to last for three days, by any respect, but it could also go past that, depending on how many changes the committee would like to make.

Mr. Lou Rinaldi: Got you.

The Clerk of the Committee (Mr. Eric Rennie): But maybe the research officer could speak to the changes and typing out the changes.

Ms. Susan Viets: The process is as the Clerk has described, that the length of time required for report writing is contingent on the number of changes requested

by the committee. Traditionally, because in this report we're summarizing a very large volume of testimony and recommendations, the report-writing process can be quite lengthy. The recommendations are not drafted on instruction from the committee by research. In the past, the recommendations are coming from the different parties, so that eliminates one part of the work process for us.

The Vice-Chair (Ms. Ann Hoggarth): MPP Fraser?

Mr. John Fraser: So just a question in terms of when you're report writing. I sit on public accounts. The researcher there will go through—they'll have a week to rewrite that report. Just in terms of the timeline, how has that been done? How has that been done in the past? Has the report writing gone over the two days? Is that what they did last year, or do you usually get a gap of a couple of days between committee meetings and approval?

Ms. Susan Viets: I wasn't part of the pre-budget process last year so I can't speak to that. In prior years, the issues with reports have been relatively minor. Often they relate to issues such as attribution, whether each witness should be identified by name or whether they can be grouped together. It has tended to be those sorts of issues, but I can't speak to the experience last year.

Mr. Victor Fedeli: Chair?

The Vice-Chair (Ms. Ann Hoggarth): MPP Fedeli.

Mr. Victor Fedeli: I can add to that. The report writing doesn't include opinions. It's a report of what was said in the committee. It's pretty pedestrian, in terms of the content, but as our research staff indicated, it may be a choice of, "All right. Do we want all the presenters' names? Do we want all the associations listed? Do we want them listed as 'A presenter said...' or 'Three presenters said...'"? That's really what we end up doing in this.

Mr. John Fraser: So it's not—

Mr. Victor Fedeli: There are no opinions offered. There are no opinions expressed.

The Vice-Chair (Ms. Ann Hoggarth): MPP Fraser?

Mr. John Fraser: Sorry, pardon me.

Mr. Victor Fedeli: There are no opinions.

The Vice-Chair (Ms. Ann Hoggarth): MPP Martins?

Mrs. Cristina Martins: Thank you. I just got a little bit of clarification with regard to the dates. It's my understanding that the 9th and the 10th would be the dates when the draft report is written. This would then provide, up until the 16th, time for the Clerk to provide a final writing, so then that would happen around the 16th. The 9th and 10th are for the draft writing and then there would be some time in between there where there would be a final report for the 16th—or the final writing, if you will.

The Vice-Chair (Ms. Ann Hoggarth): Any further discussion? MPP Fedeli?

Mr. Victor Fedeli: I go back to the point that under our original schedule which we hashed out in our subcommittee, we will be finished on the 14th, period.

The Vice-Chair (Ms. Ann Hoggarth): MPP Martins?

Mrs. Cristina Martins: I don't recall, right now, what the 13th and 14th were for. Were they for the draft

writing, as we're proposing right now for the 9th and 10th, in which case there would be a later date, potentially the 20th, which is in and around Family Day, that would then be the final writing of the report, or the final draft of the report? So, moving that to the 9th and 10th—yes, the 16th is after the 13th and 14th, but that would be for the final writing of that report.

0930

The Vice-Chair (Ms. Ann Hoggarth): MPP Baker?

Mr. Yvan Baker: Vic, to the point you just made, in the draft report, we have, as you said, February 13 and 14. That's two days of report writing. In the amended version that I've proposed, we have three days of report writing: the 9th and 10th are earlier, and then there's the 16th. So if you're confident that we can get this done in two days of report writing, then we'll be done by February 10. The 16th provides us with a third date, if needed. So in theory, if we're as productive as we discussed at the subcommittee, as you propose we will be, then we'll be done on the 10th rather than being done on the 14th. So this actually moves the timeline up, if we're equally productive, but it gives us the 16th if we need a third date.

The Vice-Chair (Ms. Ann Hoggarth): Any further discussion?

Mr. Victor Fedeli: Chair, one says one thing and one says the other. It's a draft on the 9th and 10th, according to one, and the final on the 16th; and the other, it's the report writing—

The Vice-Chair (Ms. Ann Hoggarth): Okay.

Mr. Victor Fedeli: I'm not finished yet. I just don't understand that.

The Vice-Chair (Ms. Ann Hoggarth): I wasn't going to move from you.

Mr. Victor Fedeli: We've met in subcommittee. We've hashed this out. We have our dates. I just truly cannot understand the logic of why we go through this charade of picking dates in our subcommittee if there are going to be amendments like this. I just don't get that. I fundamentally do not get that.

The Vice-Chair (Ms. Ann Hoggarth): Well, everyone has the right to bring amendments.

Mr. Victor Fedeli: I bring up that Friday again. That's the one day we're home. At least, if you don't live in Toronto, that's the one day that we book our office. All of our meetings are scheduled weeks, months in advance, on Friday. And you pick a Friday to come to Toronto. That's just unreasonable to ask.

The Vice-Chair (Ms. Ann Hoggarth): Any other discussion? MPP Baker.

Mr. Yvan Baker: Vic, let me try to explain it again. I think your concern is that you don't want to sit on the 16th. If we're as productive as you suggest, we would get this done in two days, which is what you're saying the original subcommittee report provides for, which is only two days. Then we'll be done on the 10th and we won't be back here on the 16th. This provides us with a third date.

What MPP Martins and I are saying are not different. If MPP Martins is right and there are substantial changes

that the committee requests on the 10th and we need an additional week for staff to work on it, then we'll have the 16th. Then, in that scenario, the 16th is available for us. But if we don't need that kind of gap because we come to consensus much more quickly, then we'll be done on the 10th. But the 16th just gives us a buffer. It's just a spare date in addition to the 9th and 10th. This proposal that I've brought forward allows us to get it done sooner if we do it in two days, as you suggest we'll get it done.

The Vice-Chair (Ms. Ann Hoggarth): Further discussion? All those in favour of amendment number 4? Those opposed? Carried.

MPP Baker.

Mr. Yvan Baker: Chair, I'll move on to the next proposed amendment. I move that the report of the subcommittee be amended as follows: that in section 5, the words "two days" be struck out and replaced with "three days."

The Vice-Chair (Ms. Ann Hoggarth): Okay. Discussion?

Mr. Victor Fedeli: So now we want three?

The Vice-Chair (Ms. Ann Hoggarth): Up to three. MPP Fedeli?

Mr. Victor Fedeli: For the record, that absolutely goes against what we just talked about. Is it two or is it three? Are we ending on the 16th or not? This is what I don't understand. It's inconsistent.

The Vice-Chair (Ms. Ann Hoggarth): MPP Baker.

Mr. Yvan Baker: So, Vic, I think I've been pretty clear that we have three dates for report writing—the 9th, 10th and 16th—and this is consistent with that. If we're done by the 10th, then we'll only have two days. All this says is that we'll have up to three days. It allows us to have three days, but we can be done in two. We can be done in one, if we want.

The Vice-Chair (Ms. Ann Hoggarth): Further discussion? MPP Fife.

Ms. Catherine Fife: Well, it is semantics. But the Chair has said the amendment reads "up to three days." Mr. Baker has said "up to." It doesn't say "up to"; it just says "with 'three days.'"

We really should have debated this motion before we did the last motion, if we're trying to figure out the report-writing strategy. I'm sort of sharing the same frustration around our subcommittee discussions.

The Vice-Chair (Ms. Ann Hoggarth): Just for clarification, it does say "up to three days."

Ms. Catherine Fife: "Be struck out and replaced with 'three days.'" This motion that's right before me says "two days" be struck out and replaced with "three days." It doesn't say "up to three days."

Mr. Yvan Baker: Chair?

The Vice-Chair (Ms. Ann Hoggarth): Mr. Baker?

Mr. Yvan Baker: In the draft report that I have, Catherine, I have the words "up to."

Ms. Catherine Fife: We're talking about the amendments, the amendment that you've given in your package.

Interjection: It doesn't say "up to."

Mr. Yvan Baker: No, I'm not suggesting it does. What I'm saying is that in the draft report that you read into the record, under point (5), the words are "and up to two days." I'm proposing to replace "two" with "three."

The Vice-Chair (Ms. Ann Hoggarth): Okay. The only change is going to be that "two days" is gone and "three days" is in, so "up to" is still there.

Ms. Catherine Fife: It doesn't really matter. We already decided this.

Interjections.

Ms. Catherine Fife: Not true; not true.

The Vice-Chair (Ms. Ann Hoggarth): MPP Fife?

Ms. Catherine Fife: This motion really is out of order. We've already passed a previous motion that said that we're going to meet on three days. From a Chair perspective and just from the order perspective, if we were going to debate whether or not we wanted to meet for three days, then we've actually already decided that. We will meet for up to three days, because it was in the previous motion. This motion really should be out of order.

The Vice-Chair (Ms. Ann Hoggarth): MPP Fife, the Clerk informs me that although it says that we can meet on those dates, we do have to change number (5) in order that it can be "up to three days." Okay?

Any further discussion? All those in favour of the amendment? Opposed? Carried.

MPP Baker.

Mr. Yvan Baker: Chair, I'm just moving on to the next amendment. I move that the report of the subcommittee be amended as follows:

That section (11) be amended by adding the words "or their delegate" after "each of the subcommittee members".

The Vice-Chair (Ms. Ann Hoggarth): Okay. Discussion? No discussion? All those in favour of the amendment? Opposed? Carried.

MPP Baker.

Mr. Yvan Baker: Next amendment, Chair. I move that the report of the subcommittee be amended as follows:

That section (16) be amended by adding the words "and a summary of all consultations" after "That the research officer provide a draft report".

The Vice-Chair (Ms. Ann Hoggarth): Discussion, anyone? Yes, MPP Fedeli.

Mr. Victor Fedeli: Oh, no. I'll wait until the next one.

The Vice-Chair (Ms. Ann Hoggarth): Okay. Then I'll call the vote. All those in favour of the amendment to section (16)? All those opposed? Carried.

MPP Baker.

Mr. Yvan Baker: I move that the report of the subcommittee be amended as follows:

That in section (16), the words "February 9, 2017" be struck out and replaced with "January 31, 2017."

The Vice-Chair (Ms. Ann Hoggarth): MPP Fedeli?

Mr. Victor Fedeli: Again, I'll ask the Clerk's office: Is this adequate time?

The Clerk of the Committee (Mr. Eric Rennie): In this case, I will defer to the research officer.

Ms. Susan Viets: What becomes complex is incorporating, if it's a summary of—let me just look at the wording here. A summary of the consultations should be manageable, if the request is for the summary of consultations.

The Vice-Chair (Ms. Ann Hoggarth): MPP Fedeli.

Mr. Victor Fedeli: This is adding the words. If you look at the motion previous, it did not remove "draft report." It added "and a summary of consultations," so you're still providing a draft report. Am I correct?

Ms. Susan Viets: So the two documents.

0940

Mr. Victor Fedeli: So you're still providing a draft report and a summary on January 31. So now I ask you again: Is this reasonable?

Ms. Susan Viets: It's a large volume of material to prepare. Typically, in this situation, what we might do is provide the final report document first. The summary: We might request a few additional days to hand that in at a later date. It is a very large volume of material to process in a short period of time. But if it's the wish of the committee, as the Clerk has said, then we will do our best.

The Vice-Chair (Ms. Ann Hoggarth): Further discussion?

Mr. Victor Fedeli: Again, I'll just defer to what MPP Toby Barrett said. We're having a subcommittee meeting here. This all should have been hashed out in our subcommittee. This is when we do these kinds of things. So I'll get, again, a little pedestrian here: You're talking about having the report done by January 31, only to accommodate that new date of February 9. If we didn't have to meet February 9, if we met on February 13 and 14 as originally planned, we wouldn't be scrambling and packing this onto the Clerk's office and the research office by January 31. It seems unreasonable. I've been doing this for several years and that, to me, does seem unreasonable. I know you're more politically correct, but I would ask you: Is that—I'm looking for an opinion from you. Again, if we would have been doing this in subcommittee, you wouldn't be so hesitant to speak your mind. I'm asking you to speak your mind.

Ms. Susan Viets: I think, as the Clerk had mentioned, the staff is here to serve the committee. It is a very large volume of material to process. Under ideal circumstances, we would have an extra week or we would perhaps request that the summary of consultations be handed in a week after the draft report. But, again, the research service, as is the case with the Clerk's office, is here to serve the committee. If it's the committee's will, we will do our very best.

The Vice-Chair (Ms. Ann Hoggarth): Any further discussion? MPP Baker.

Mr. Yvan Baker: A few things: First of all, on the point that MPP Fedeli made that this should have been addressed in subcommittee, during the subcommittee discussion I had proposed that we have another sub-

committee meeting, and it was the proposal of the opposition members that we discuss it in committee—first of all. So I don't think it's unfair that we're discussing these points here today. That's the first thing.

The second thing I would say is that we're happy to get this material a week later, but we were trying to accommodate some scheduling conflicts, so that's why we've moved it to this day.

The Vice-Chair (Ms. Ann Hoggarth): MPP Fife?

Ms. Catherine Fife: Okay. So I'm just going to say, for the record, that I think that the integrity of the report is going to be compromised by these timelines. This would be my fourth year going through. It is a huge amount of information that needs to be processed by research. That report needs to inform the minister and our own report writing so that we have a budget that is reflective of what we've heard going through the consultation process.

To Mr. Baker's point: Never have we had so many amendments to a subcommittee report. It's actually unprecedented. There are eight or nine amendments. Essentially, I should not have even bothered reading this original subcommittee report into the record because it so substantively has been changed.

Finally, to the last point around accommodating schedules, the only reason that we are even entertaining such an early process is that last year's process compromised the trust in the work we are doing as a finance committee because we were still consulting as the budget was already being written.

The government has the majority on this committee; they are going to move the amendments as have been presented, but never have we had so many amendments to a subcommittee report in the history of this committee.

The Vice-Chair (Ms. Ann Hoggarth): MPP Fedeli?

Mr. Victor Fedeli: I do need to take exception with one thing that MPP Baker said. When we agreed not to have another subcommittee meeting, it was on the understanding that we'd be debating the order of the travel, whether it's Dryden first or that type of thing, with the Clerk. This is substantive. There are 10, by the way—10 amendments. And these are serious amendments. They have actually substantially changed the intent of what the committee was doing in terms of the timing and allowing the Clerk's timing.

I do agree with MPP Fife that the work will be compromised because it's going to be rushed. But I do take exception that we agreed to meet not in subcommittee but to come to committee, because there really shouldn't have been 10 amendments. It was strictly some timing that we were going to talk about. I understood that it might be one date that we were talking about—moving something from the 16th to the 18th; those types of things—very, very minor, and pre-agreed to in subcommittee.

The Vice-Chair (Ms. Ann Hoggarth): MPP Baker.

Mr. Yvan Baker: This was my first time going through the subcommittee. Next time I'll know better, but I was trying to be accommodating and so I agreed to

take a bunch of proposals back from you, Vic, and from Ms. Fife, that we've now come back to in committee and we agreed to discuss in this committee. Those things were not agreed to; they were proposals, and I agreed to come back to you on some of those proposals. So I'd ask you not to represent this as a surprise. There were a bunch of outstanding issues that we agreed I would take back and reflect on, and I've come back and I've proposed something that I think works.

The Vice-Chair (Ms. Ann Hoggarth): MPP Fedeli?

Mr. Victor Fedeli: That discussion that we had and we agreed on in the subcommittee is called the report of the subcommittee. This didn't just happen, like, a bunch of ideas got thrown together; this is the report of the subcommittee. This is what was agreed to in the subcommittee. So this is a surprise. To have 10 of these is a huge surprise, and it's substantively changed.

The Vice-Chair (Ms. Ann Hoggarth): MPP Baker.

Mr. Yvan Baker: I will put on the record that I agreed to take back a whole number of points that were proposed by members of the opposition caucuses. At the end of that subcommittee meeting, I suggested that we have another subcommittee. The members decided that they wanted to do it in a full committee; I was fine with that. But for you to now express surprise about the fact that there were some of those items that couldn't be accommodated the way you wanted, I think, is surprising to me. In the future, I'll know, when I'm on subcommittee next time, that I shouldn't approach it that way.

That being said, it's within the authority of the committee to have this discussion. We can debate semantics and when we decided what, but at the end of the day, the full committee is here and we can have the discussion now just as productively as we would in subcommittee.

The proposal that we've put forward is, I think, reasonable. Report writing starts on February 9, so getting the report on January 31 gives us time to review it before report writing, which seems like a reasonable timeline, and it's achievable.

The Vice-Chair (Ms. Ann Hoggarth): Any further discussion? Okay. The amendment to number 16: All those in favour? Opposed? Carried.

Mr. Baker.

Mr. Yvan Baker: Chair, I move that the report of the subcommittee be amended by adding section 16.1: "That the summary of all consultations be provided to the Minister of Finance by the Clerk of the Committee on the same day that it is provided to the committee."

The rationale for this is that, again, just as in the previous motion that we passed earlier, the finance minister receive information as soon as possible so that he can consider it as part of his deliberations on the budget.

The Vice-Chair (Ms. Ann Hoggarth): Any discussion? MPP Fife.

Ms. Catherine Fife: Just a quick question for the government side: This is so early that you must have a date in mind for the budget. You must know when the budget is going to be presented, because we've accelerated

everything. Do you have any idea when the budget will be coming through?

The Vice-Chair (Ms. Ann Hoggarth): MPP Baker.

Mr. Yvan Baker: I don't. But we've moved this forward, I think, based on the consensus of all of the members on all sides that it would be nice to be able to move this forward as much as possible. This is part of that process of just trying to get the information to the minister as soon as possible.

The Vice-Chair (Ms. Ann Hoggarth): Amendment 16.1: All those in favour? Opposed? Carried.

MPP Baker.

Mr. Yvan Baker: The next amendment, Chair: I move that the report of the subcommittee be amended by adding section 18: "That witnesses be offered a total of 15 minutes: 10 minutes for presentations and five minutes for questioning by party rotation."

The Vice-Chair (Ms. Ann Hoggarth): Any discussion? MPP Fedeli.

Mr. Victor Fedeli: Yes, Chair, we agree with this. This is the amendment we were looking for. Out of all the 10 that were surprising, this is the only one, actually, that we were waiting—

Interjection.

Mr. Victor Fedeli: I'm sorry?

Mrs. Cristina Martins: We saved the best for last.

Mr. Victor Fedeli: There is another motion coming up, but we'll worry about that later. This is the one that we were talking about. So we're talking about witnesses having 10 minutes, and then rotating five minutes. The option against this would be to have a witness and three minutes each, but it does tend to be a long haul for everybody. This is an acceptable motion for our party.

0950

The Vice-Chair (Ms. Ann Hoggarth): Would anyone else like to speak? All those in favour of adding number 18? All those opposed? Carried.

MPP Baker.

Mr. Yvan Baker: Chair, I know we deferred one of the motions. I just wanted to return to that motion, if I may. I'll read it again, if you'd like.

I move that the report of the subcommittee be amended by adding section 3.1: "That the committee meet for consultations only on days where a minimum of 2.5 hours of in-person presentations have been scheduled."

The Vice-Chair (Ms. Ann Hoggarth): Discussion? MPP Fife.

Ms. Catherine Fife: Based on the amendment that we just passed, this would mean that 10 delegations would have to register. I think that if eight people make their way to Dryden, I want to hear from those eight people.

Because this is happening so early, on MPP Barrett's point, I think we may have some difficulty, because people are used to doing budget consultations, but later in the spring, wouldn't you say?

I don't support this. I think that if it's eight or nine, there should be some flexibility there.

The Vice-Chair (Ms. Ann Hoggarth): Further discussion? MPP Baker.

Mr. Yvan Baker: I think that Ms. Fife makes a really good point, and I'm happy to withdraw the motion.

The Vice-Chair (Ms. Ann Hoggarth): MPP Barrett.

Mr. Toby Barrett: My comments are moot, then. Again, we think of the Dryden example. If there are eight or nine who sign up—and in many cases, it may be wardens representing all of northwestern Ontario or forest industries. Again, it's one person representing virtually every company in forestry or every company in mining.

One thing I will mention. I know that we've debated pre-planning, which is good. It's unprecedented to debate these amendments, have them recorded in Hansard and televised around the system in room 151.

Bearing in mind the last time that we tried to go to Dryden—I think I've travelled with the committee most years for the last 14 years. We left Windsor—I was lead on the committee—and we had to have a meeting in the back of the airplane because of weather, and Dryden was cancelled.

This committee—we travel and we work together for a number of weeks. We have meals together. We should try to get away from this kind of an approach. We have to roll with the punches. Weather is significant; travel. Once, the bus driver—I think this was down in Windsor. We stayed overnight and came out the next morning, and he had left the keys in the bus. He couldn't get in the bus. So we sat there for two hours, waiting for the bus.

There will be other challenges and other decisions that we will have to make on a roll. I just hate to think that a lot of our decision-making might be preordained by someone else, either outside of the subcommittee—I put trust in the subcommittee. I shouldn't have a say in this; I put trust in whoever represents me on the subcommittee. It is our committee. Let's remember that.

The Vice-Chair (Ms. Ann Hoggarth): MPP Baker.

Mr. Yvan Baker: I think the only thing I want to ask the members for their thoughts on with regard to this issue is, do we want to set a minimum of any kind at all? I've taken Catherine Fife's point and withdrawn the motion, but I guess I'm just putting it out to the committee. I'm not putting a specific timeline on it. Do we want to put some sort of minimum in place at all, or are we happy to, if there was one delegation—I'm not saying there will be, but if there were only one or two, are we comfortable with that? That's the question.

The Vice-Chair (Ms. Ann Hoggarth): MPP Fedeli.

Mr. Victor Fedeli: I always look to leaving it to the discretion of the Clerks to inform us. Again, to go back to what MPP Barrett had to say, we need to be a little bit flexible. When we were shy some, the Clerks called some others who couldn't present in some other city and said, "This is full; you can't come. But this one is half-full. You can come here."

I would look forward to the continued flexibility and leadership of the Clerk to accommodate this. If there is something, in the Clerk's own opinion, that just doesn't

make any sense, then I would think it's incumbent on the Clerk to report to us and say that this can't work for whatever reason.

That's how we've done it in the past, and it seems to have worked with a little bit of flexibility. The Clerk has indeed contacted—let's make one up—the forestry association, that wants to present in Toronto: "Well, Toronto's full, but you have a representative in Dryden. Come to the Dryden presentations." It's been done like that—rather successfully, I might add.

The Vice-Chair (Ms. Ann Hoggarth): MPP Rinaldi?

Mr. Lou Rinaldi: Chair, I agree with everything that's been said on this, but I think Ms. Fife travelled with us on Bill 201.

Ms. Catherine Fife: Yes, I did.

Mr. Lou Rinaldi: You did, and we did have some—

Ms. Catherine Fife: All summer.

Mr. Lou Rinaldi: That's right. Fun, fun, fun.

I guess the point I'm trying to make is that we had to cancel some because there were no deputants. We went to one in western Ontario; I think there were three, and one of them was by phone from Toronto. It took a bus and staff—although I agree with Mr. Fedeli to leave it up to the Clerk, ultimately, the buck stops with the elected officials; right? I would suggest that we at least give the Clerk some direction instead of leaving it right open.

The Vice-Chair (Ms. Ann Hoggarth): MPP Barrett?

Mr. Toby Barrett: Again, certainly decisions that are made closer to the time of—and we have cancelled when there have only been perhaps one or two people. We have asked them to be part of a teleconference on the committee later, in Toronto. Obviously, we wouldn't ask eight or nine people to do a teleconference, but for one or two—so again, decisions that are made closer, when we have more information.

Sometimes the plane is there, the hotels are booked, time constraints—I think that's all I had to say on that.

The Vice-Chair (Ms. Ann Hoggarth): At this point, I'm going to ask the mover of the motion—I thought I heard you say you wanted to do something.

Mr. Yvan Baker: If I may, Chair, I'll just say that I'm happy to hear what people have to say and, again, I'm happy to withdraw the motion. I think the spirit of what I was trying to do was make sure we manage people's time and taxpayers' dollars effectively. That's where I was coming from on this one. But I take the will of the members on this one, as I'm willing to withdraw the motion, Chair.

The Vice-Chair (Ms. Ann Hoggarth): The motion has been withdrawn so there is no further discussion.

The Vice-Chair (Ms. Ann Hoggarth): MPP Barrett.

Mr. Toby Barrett: I thought I was on the list.

The Vice-Chair (Ms. Ann Hoggarth): Well, you were, after MPP—

Mr. Toby Barrett: I'm just worried about precedent too, as I just said, if there is only one or two. But so oftentimes I sat in this room in Toronto when legislation has come forward and witnesses have been given something like 24 hours' notice. Even in Toronto, we only get two or three presenters that we go forward with, with the

committee. I don't want to set a precedent because if we only get three for, say, government legislation, and 24 hours' notice—I've seen that quite a bit now. Maybe it gets in the Globe and Mail overnight and that's about it. Two or three people come forward. They were tipped off; they knew ahead of time what was going to happen. I'd just hate to see a committee cancelled because there are only two or three showing up.

The Vice-Chair (Ms. Ann Hoggarth): MPP Baker?

Mr. Yvan Baker: There is one more item. I don't know if you've all got copies of this last motion but I just wanted to make sure. I just want to present that motion, Chair, if I may.

I move that each party provide the committee Clerk with the name of one expert witness and one alternate no later than 12 noon on November 28, 2016;

That expert witnesses be offered 10 minutes for their presentations, and one hour as part of an expert witness panel, in which they will field questions from committee members and have an opportunity to interact with other panel members;

That expert witnesses be scheduled to appear before the committee in Toronto on January 18, 2017.

The rationale for this—and we've discussed this as a subcommittee but also as members in the past and last year—that there may be value in having experts come. That's what this is designed to address.

The Vice-Chair (Ms. Ann Hoggarth): MPP Fife.

Ms. Catherine Fife: The only thing that's really missing from this motion is the fact that the intention of an expert witness was to comment on the economy and finances of the province. Just for clarity, it should indicate that. Otherwise, we can bring an expert witness on anything. Just for the Hansard, we should at least have some consensus on what kind of expert witness we're calling to the committee.

1000

The Vice-Chair (Ms. Ann Hoggarth): Are you suggesting you'd like to do an amendment to this?

Ms. Catherine Fife: Well, I'm just looking to the government as to why they didn't include it. That would be my question.

The Vice-Chair (Ms. Ann Hoggarth): MPP Baker?

Mr. Yvan Baker: The idea here was to provide flexibility, but I'd welcome taking an amendment on this to provide some specificity as to the kind of experts or what we would like the experts to speak to.

The Vice-Chair (Ms. Ann Hoggarth): MPP Fife?

Ms. Catherine Fife: We should state, unless the PCs are against the idea—what sort of flexibility would you be looking for?

Mr. Yvan Baker: I was giving, frankly, the other caucuses flexibility in terms of the kind of witness you want to bring forward. I proposed this to give everyone, each caucus, maximum flexibility, but I don't disagree with your suggestion, MPP Fife. I think it has a lot of

merit, so I'd be happy to hear how you think the motion should be amended.

The Vice-Chair (Ms. Ann Hoggarth): Would you like to proceed with an amendment, MPP Fife?

Ms. Catherine Fife: Well, I think the context, for the other members, is that we had discussed at the end of the last year's process that it would be of some value to the finance committee for each party to have the opportunity to call in an expert witness who would comment on the state of the province's economy and finances and then have an opportunity—because we do approach the finances of this province very differently. So I'm happy to see the motion here; I was just wondering why that didn't state that.

But, if the committee is amenable, then we could alter the motion. I would move an amendment to the amendment: That expert witnesses with some knowledge of the economy and finances be invited and offered 10 minutes for their presentation.

The Vice-Chair (Ms. Ann Hoggarth): Is it the will of the committee that we have five minutes for the Clerk to write this up and present it to us?

MPP Fraser?

Mr. John Fraser: It sounds like we're willing to do that over here.

I think that it's fairly self-evident as to whom we are all going to invite, but I'm open to it being there. I'm just making a comment—I don't sit on this committee; I'm subbing in this morning. But I think that it's evident that each party is going to invite those people who they believe will best give the information that they want to get. I think it's kind of self-evident, but if we want to do an amendment, that's great.

The Vice-Chair (Ms. Ann Hoggarth): MPP Fife?

Ms. Catherine Fife: Madam Chair, in the interest of time, if that's the consensus, as long as it's—it's part of the Hansard now. So if you call David Suzuki, I'll take some issue with it.

So I withdraw. I withdraw the amendment to the amendment, and I would respectfully call the vote on this amendment.

The Vice-Chair (Ms. Ann Hoggarth): Okay. MPP Fife has called the vote. All those in favour of the original amendment? Carried.

There being no further business, we stand adjourned. Thank you, committee, for being patient.

Interjection.

The Vice-Chair (Ms. Ann Hoggarth): All right, there's one small matter of business. We need to vote on the subcommittee report, as amended.

I will call the question: All those in favour of the subcommittee report, as amended? All those opposed? Carried.

Now, I'd like to adjourn the committee, as we have no further business.

The committee adjourned at 1005.

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

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Vice-Chair / Vice-Présidente

Ms. Ann Hoggarth (Barrie L)

Mr. Yvan Baker (Etobicoke Centre / Etobicoke-Centre L)

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Legislative Assembly of Ontario

Second Session, 41st Parliament

Assemblée législative de l'Ontario

Deuxième session, 41^e législature

Official Report of Debates (Hansard)

Thursday 27 October 2016

Journal des débats (Hansard)

Jeudi 27 octobre 2016

Standing Committee on Finance and Economic Affairs

Protecting Students Act, 2016

Comité permanent des finances et des affaires économiques

Loi de 2016 protégeant les élèves



Chair: Peter Z. Milczyn
Clerk: Eric Rennie

Président : Peter Z. Milczyn
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Thursday 27 October 2016

Jeudi 27 octobre 2016

*The committee met at 0904 in room 151.*PROTECTING STUDENTS ACT, 2016
LOI DE 2016 PROTÉGEANT LES ÉLÈVES

Consideration of the following bill:

Bill 37, An Act to amend the Early Childhood Educators Act, 2007 and the Ontario College of Teachers Act, 1996 / Projet de loi 37, Loi modifiant la Loi de 2007 sur les éducatrices et les éducateurs de la petite enfance et la Loi de 1996 sur l'Ordre des enseignantes et des enseignants de l'Ontario.

The Vice-Chair (Ms. Ann Hoggarth): Good morning, committee members. I'm calling the meeting to order to consider Bill 37, An Act to amend the Early Childhood Educators Act, 2007 and the Ontario College of Teachers Act, 1996.

As ordered by the House, each witness will receive up to five minutes for their presentation, followed by nine minutes of questioning from the committee, or three minutes from each caucus. I ask committee members to ensure that the questions are relevant to Bill 37 and to keep them brief, in order to allow maximum time for the witnesses to respond.

Are there any questions before we begin? Okay.

ONTARIO PRINCIPALS' COUNCIL
CATHOLIC PRINCIPALS'
COUNCIL OF ONTARIO
ASSOCIATION DES DIRECTIONS
ET DIRECTIONS ADJOINTES DES ÉCOLES
FRANCO-ONTARIENNES

The Vice-Chair (Ms. Ann Hoggarth): I would like to call the first witnesses, from the Ontario Principals' Council. If you'd come forward, please. I would ask you to state your name for the official record, and we will begin.

Ms. Kelly Kempel: Good morning. Thank you, Madam Chair, for allowing us this opportunity to appear today. My name is Kelly Kempel, and I'm the president of the Ontario Principals' Council. I am here today with Sarah Colman, general counsel of the OPC, and Joe Geiser, protective services co-ordinator of the Catholic Principals' Council of Ontario. I'm also representing ADFO, the French-language principals' association,

which is unable to be in Toronto today. Together, our three provincial associations represent over 7,500 principals and vice-principals in elementary and secondary school systems across the province in the public, Catholic and French systems.

Due to the limited time available for an oral submission, we'll also be leaving behind a more detailed document for your review and information.

Ms. Sarah Colman: I think you have that in front of you.

Ms. Kelly Kempel: Ontario's principals and vice-principals want to express our support for this bill and identify opportunities for improvements—improvements that we believe will result in a more effective College of Teachers and, as a result, greater protection for students.

Our primary concern with this bill is peer review. Principals and vice-principals are mandated by statute to belong to the Ontario College of Teachers and comprise about 4% of its membership, yet complaints against us normally range annually between 15% and 20% of all complaints investigated by the college, many of which come from teachers.

School leaders have additional qualifications required by law, perform different statutory duties and stand in a supervisory relationship to teachers, including being responsible for implementing the employer's interpretation of collective agreement terms as well as supervising, evaluating and disciplining teachers. This makes the role we perform substantially different from that of teachers and makes our members uniquely vulnerable to complaints, particularly when our professional responsibilities conflict with the interests of classroom teachers.

That's why it's imperative that we have our conduct judged by our peers, people who have walked in our shoes, fulfilled the same legislative duties and experienced similar working conditions.

Currently, there is only one principal on the 37-member college council, a council that is ruled by a majority of unionized classroom teachers. The council committees have not been consistently fair and impartial for our members because of the college's long-standing refusal to provide us with meaningful peer review.

Over the past decade, we've repeatedly raised this issue with the college and the Ministry of Education. In 2006, the government amended the Ontario College of Teachers Act in response to our concerns to enable the college to provide peer review for principals and vice-

principals by way of regulation. However, the college council refused to act.

In 2012, we made submissions to the Honourable Justice Patrick LeSage on this issue, and in his report, he specifically recommended that peer review be implemented as an important component of fairness for principals and vice-principals. Notwithstanding his strong endorsement and the acceptance of the vast majority of his other recommendations, the council initially did not accept his advice on this point.

Recently, the council appears to have softened its opposition by agreeing to provide a limited form of peer review. However, the council has continued to avoid making a regulation requiring peer review, despite having the legislative authority to do so.

That is why we are supportive of the amendment that would ensure a peer on a panel considering a principal's or vice-principal's conduct. However, true peer review can only be provided by ensuring that the person or people fulfilling that role have recent experience, either in the role or having supervised or supported that role in the past five years. After five years, they are less likely to be apprised of the legislation, regulations, board policy or school cultures. As a result, they are less able to put themselves in the shoes of an active principal or vice-principal.

0910

Furthermore, there should a requirement that prevents two teacher-union members from forming a majority on the panel when a complaint is brought against a principal or a vice-principal. With two teacher members, our concerns about the professional conflicts of interest that can and do arise—

The Vice-Chair (Ms. Ann Hoggarth): Thirty seconds.

Ms. Kelly Kempel: —between these occupational groups will persist.

Finally, peer review should not be denied in cases where one committee member determines whether a resolution reached through that complaint process would be acceptable. A single member is making that decision; a single member should be the peer.

We also have support from the supervisory and directors' associations in all four systems.

In our leave-behind paper we address other issues in addition to complaint resolution, the register, procedural fairness—

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation.

Ms. Kelly Kempel: Thank you again.

The Vice-Chair (Ms. Ann Hoggarth): The first round of questioning will come from the official opposition.

Mr. Lorne Coe: Chair, through you to our delegation: I'm on page 2 of the handout that you provided to committee members; in particular, the final paragraph that is a preamble to your suggested amendment. I'd like to understand a little bit more around why you feel that

there's an institutional bias at the college with respect to this discussion of peer review.

Ms. Sarah Colman: Hello; Sarah Colman, general counsel from the OPC. We have numerous examples, and I handle a large number of responses, on behalf of our members, to the college. We've identified some institutional bias in a number of different ways at the college, including the fact that principals and vice-principals have not been reflected in the college's publications. The magazine rarely reflects the role of the principal and talks only about principals in terms of how they might support teachers. Principals and vice-principals, as a stand-alone role, really haven't in the past been acknowledged as full members of the college, with their own interests, concerns and professional realities. That's one way in which we've observed an institutional bias.

The other way is through the legal processes at the college, where we have seen complaints come forward, from teachers most particularly, where the matter relates to something that teachers more generally have a position on, such as changing a student's mark, for example. Teachers feel strongly that that is their professional role—to assess student work—but the legislation gives authority to principals to make changes where, in their professional judgment, that's necessary or important. We have seen complaints come forward from teachers about this issue. We have seen how the college has judged those complaints and have seen those matters being referred for discipline, for example. That's just one example of a professional conflict of interest where, when there is a majority on the panel who are teachers, we have a concern about fairness.

Mr. Lorne Coe: I thank you for that answer.

I'd like to turn to another subject, if I could, please. Chair, through you, it's on page 4 and it has to do with the information on the college's register. It's the amendment that you're proposing, amendment 5. It speaks to ensuring that the explicit details of the terms, conditions, and limitations in fitness-to-practise cases are not required to be posted.

Ms. Sarah Colman: Right.

Mr. Lorne Coe: The example that is the extension of that particular amendment speaks to, "These details often reveal private medical information...." The basis for my question is the balance that I think we try to strive for, and I know you do too, in terms of the public's right to know.

Ms. Sarah Colman: Absolutely.

Mr. Lorne Coe: How often, in your experience, is the last sentence—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, MPP Coe.

Mr. Lorne Coe: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We move now to the third party. MPP Taylor?

Miss Monique Taylor: Good morning. Thank you for being with us this morning. I apologize for being late. There were some scheduling issues, so I did miss your presentation, which I apologize for.

Did you need extra time to speak about something that you didn't get a chance to? Would you like to have a moment to have an extra say on something while I do a quick brief?

Ms. Sarah Colman: Sure; we could answer the question that was asked of us.

Miss Monique Taylor: Please go ahead.

Ms. Sarah Colman: I would say that in terms of fitness-to-practise matters, the vast majority of cases that come forward are coming forward because the member has been rendered incapacitated by a medical issue. What we are suggesting is that on the register page, it indicated that there are terms, conditions and limitations imposed on the certificate, but not the details of those. Often those details reveal whether the person has to attend AA, for example, or has to take other counselling for a mental health issue, or needs drug testing. Those details would reveal the nature of the person's disability and reveal very private and personal medical information. So while we agree that the public has a right to know that there are terms and conditions or limitations on a certificate, they should not in those fitness-to-practise cases know the details of those because of the private information that it would reveal.

Miss Monique Taylor: So you would still ask—sorry; I'm just kind of going out on a limb here—for the suspension and that would still be happening, but there would be confidentiality about what was going forward with the actual person, I guess, in question until something was actually concrete?

Ms. Sarah Colman: Well, the way the register works is that it records outcomes of matters that have already been determined. Once a decision has been made and terms, conditions or limitations have been imposed, we absolutely agree that the fact that there are terms, conditions or limitations should appear on a certificate, but not the nature of those, in the fitness-to-practise realm. We agree that in the discipline side of things, the disclosure of those terms and conditions is appropriate, but in fitness-to-practise, when it's dealing with such intimate, personal health information, those details should not be there.

Miss Monique Taylor: Okay. Did you have any other comments about possible amendments or things moving forward with this bill that you would like to see?

Ms. Sarah Colman: Yes, we have a number of other items in the submission that we have left with you. One of the most important, from our perspective, is in respect of complaint resolution. Right now, the list of items—

The Vice-Chair (Ms. Ann Hoggarth): I'm sorry, your time is up. We move to the government questioning, please. MPP Anderson.

Mr. Granville Anderson: Good morning, and thank you for being here this morning. Did you have something that's important that you want to finish off?

Ms. Sarah Colman: Sure, we would appreciate that opportunity. Thank you both.

In terms of complaint resolution, right now the way the bill is worded, it would suggest that matters that

would result in a reminder or an admonishment, those kinds of lower-level outcomes, could be dealt with by way of complaint resolution, and we agree that that's appropriate. But what's missing is that a number of cases have an outcome of "take no further action," or a dismissal of the complaint. Those, too, should be eligible to be dealt with in the complaint resolution process. That is what's happening currently at the college. Those outcomes are possible through complaint resolution. Obviously, all of those matters go to the investigation committee for a decision on that, but they are processed through the complaint resolution process. We think it's important that if a complaint is so trivial that the college assesses that it is likely to result in a no-further-action outcome, it should be able to be processed through complaint resolution, because those are the least serious.

Mr. Granville Anderson: As principals, you bring a unique voice to the conversation. One of the fundamental themes of the LeSage report was transparency. I believe, judging from your comments, you're supportive of the bill.

Ms. Sarah Colman: Yes.

Mr. Granville Anderson: You spoke about peer review; the bill does allow for peer review. I wonder if you wanted to expand on that. What would you like to see in the composition of the peer review mechanism?

Mr. Joe Geiser: Joe Geiser from the Catholic Principals' Council. We would see that peer review, to be authentic, should have a minimum of two of the three panel members judging—any of the committee members—a principal or a vice-principal.

Mr. Granville Anderson: Okay, so you would like to see two or three members—

Mr. Joe Geiser: I'll give you a recent example. Recently, one of our members from the Catholic Principals' Council was brought before the college by one of the unions, a teachers' union. It hasn't proceeded, but if that had proceeded, the likelihood would be that we would have a majority of teachers on that discipline committee actually adjudicating or making a decision about a principal. We are asking that there be a minimum of two principals or vice-principals on that committee, or those with recent five-year experience in the role.

Mr. Granville Anderson: Okay, thank you.

The government recognizes the vital role principals play in our schools, including keeping our children safe and preserving public confidence in the Ontario school system. Can you please tell the committee how—

The Vice-Chair (Ms. Ann Hoggarth): I'm sorry, MPP Anderson. Your time is up.

0920

I'd like to thank you for your presentation, and I'd like to remind you that if you have any further written submissions, they must be to the Clerk of the Committee by 6 p.m. today.

At this time we'll call the next presenter, the Ontario College of Teachers. I would ask you to state your name for the official record, please.

Interjections.

COLLEGE OF EARLY CHILDHOOD EDUCATORS

The Vice-Chair (Ms. Ann Hoggarth): Is the College of Early Childhood Educators here? Are you ready? Okay. We'll call them, and then we'll go back.

Good morning. State your name for the Hansard, please.

Ms. Lois Mahon: Good morning. I'm Lois Mahon, and with me is Beth Deazeley, our registrar and CEO. I'm a registered early childhood educator and have been president of the Council of the College of Early Childhood Educators since 2009. Thank you for the opportunity to speak today.

Since our time is limited, we will be using the acronym RECE when we talk about registered early childhood educators. There are currently more than 50,000 of us educating and caring for children from birth to 12 years in settings including licensed and unlicensed child care, community programs and schools, including full-day kindergarten.

The college is pleased to see that the government is serious about protecting our youngest Ontarians through the introduction of Bill 37, the Protecting Students Act. It's important to note that many of the proposed amendments related to the College of Teachers were already made for the college of ECEs in 2015 as part of the Child Care Modernization Act, and we have already implemented them.

We know that the vast majority of RECEs are competent and professional. That said, each year, a very small percentage are subject to the college's complaints and discipline processes. In the interest of both the public and the RECEs involved, it is critical that those processes are fair, efficient and transparent. To support that, the college has provided a written submission setting out some proposed amendments to Bill 37. We hope that the committee will take this opportunity to ensure that the bill that is passed is the most effective one possible in order to protect the children and families of Ontario.

Ms. Beth Deazeley: Most of our suggestions are actually minor drafting points on the proposed language in Bill 37. We've outlined them in our written submission. If there are questions, we'll be pleased to address them.

We've also requested a new provision that would create a roster from which to draw discipline panels. Due to the changes in our act last year, which expanded the obligations on employers to report to the college if they suspend or terminate the employment of an RECE, we're experiencing an increase in the number of investigations and want to be sure that we're ready to deal with those that proceed to the stage of a discipline hearing in a timely manner. One of the biggest challenges can simply be scheduling panels to preside over hearings. The roster would expand the pool of individuals who are available to serve. The College of Teachers has a similar provision in its act.

What I really want to talk to the committee about today is the one part of my role that makes me lose sleep.

Ensuring that the youngest and most vulnerable children in Ontario are cared for by competent, ethical professionals is an enormous responsibility. Generally, the college has the processes, the powers and the resources to do that, and we're very proud of our track record of success. However, there is one critical gap that we feel puts children in Ontario at risk. Part of our college's mandate is to investigate cases when an RECE may be suffering from a physical or mental disorder which is affecting their ability to practise the profession and safely care for children. The college has the power to restrict or suspend the ability to practise if an RECE is found to be incapacitated. This is necessary, and it's a power that nearly all regulators in Ontario have. What our college does not have is the authority to obtain the medical evidence that we would need in order to make such a finding of incapacity, which makes the fitness-to-practise process almost impossible to use. It leaves us, as the regulator, in the position that we may believe that an RECE is suffering from a physical illness, a mental disorder or an addiction, and yet be unable to prove it, and therefore unable to ensure that appropriate restrictions are placed on their ability to practise before a crisis occurs.

In most professions, including all regulated health professionals, lawyers and human resources professionals, their college can order a physical or mental assessment by an expert to help determine whether the individual is fit to practise and what support they may need. What we're asking for is for our college to be given that authority as well.

This protects the public interest and supports RECEs in obtaining an appropriate diagnosis and professional recommendations on how to safely return to work and, hopefully, achieve a long-term resolution in a way that respects the privacy of the RECE. The results of an assessment could only be used by the college and the RECE. While the public register would reflect restrictions on the ability to practise, it would not reflect personal medical information.

RECEs are responsible for the safety of children as young as infants. Many of them work in small centres or may work alone, and the possibility that children could be left in the care of someone who is incapacitated by a disorder could lead to tragic consequences.

Vice-Chair (Ms. Ann Hoggarth): Thank you. This round of questioning will start with the third party: MPP Taylor.

Miss Monique Taylor: Thank you very much, Chair.

Good morning. Thank you so much for being here today and for participating in this process. I will share my time with you to expand on anything you wish to speak on further.

Ms. Beth Deazeley: I think, probably, where we really want to focus is on the issue of obtaining the medical assessments. You have our written submission in front of you, and we have some further information in there as to how that actually works in practice. It starts around page 4—particularly some of the safeguards around the process.

There's a very high threshold to be able to use that kind of power. It would only be ordered by the complaints committee, and they have to reach a reasonable level of concern. They have to have real grounds to believe that there's an issue. It certainly isn't something that staff could use or that could be done when there wasn't significant evidence or a real concern. In addition, nobody can be assessed against his or her will. A member who is simply unwilling to undergo an assessment would generally be subject to a suspension of membership, but we certainly can't force anybody to be assessed, which I think is also an important point.

This really does help us to move towards the most effective resolution and to support the member as they deal with the issue and return to practise in a safe way, so that we're making sure that the public is protected and at the same time ensuring that there is a fair and efficient process in place for ECEs.

Miss Monique Taylor: Thank you. So, currently, and with these changes moving forward, you could definitely see the process being at risk with the lack of proper enforcements, would you say?

Ms. Beth Deazeley: At the moment, we feel that we're missing this one key tool in order to be able to execute the mandate that has been given to us under our legislation. Having that tool would enable us to do that.

Miss Monique Taylor: So, without that tool, you would be pretty much in the same position of not being able to enforce any thoughts or concerns that you might have?

Ms. Beth Deazeley: It's extremely difficult to address them, yes.

Miss Monique Taylor: Thank you. Do you have any further comments? I'm sure there isn't much time left.

Ms. Beth Deazeley: No, thank you.

The Vice-Chair (Ms. Ann Hoggarth): You have one minute left.

Miss Monique Taylor: I'm good. Thanks, Chair.

The Vice-Chair (Ms. Ann Hoggarth): Okay.

Moving the questioning to the government: MPP Martins?

Mrs. Cristina Martins: First of all, I just wanted to say thank you for being here and also for being present when this bill was reintroduced here. As the mother of two young boys, 12 and 10—it just seems like yesterday that they were in daycare and nursery, and I appreciate the work that the RECEs do and the role that they have. So I wanted to thank you for that.

You referenced earlier a number of amendments that happened last year with the Early Childhood Educators Act as a result of the Child Care Modernization Act that came into effect in response to Justice LeSage's recommendations. Can you tell the committee how those changes have been implemented and how they have benefited families with children in early childhood education?

Ms. Beth Deazeley: Certainly. Many of the changes that were made as a result of the Child Care Modernization Act reflected the recommendations of Justice

LeSage. We have certainly implemented all of those. The majority have to do with increasing transparency and making sure, for example, that full information is reflected on the register and that discipline committee decisions, for example, always reflect the name of the member involved. It also included provisions such as mandatory revocation for a minimum of five years for all offences involving sexual abuse. Those were actually all practices that the college had in place before the changes were made. We have certainly implemented everything that was required.

Mrs. Cristina Martins: Wonderful. Can you tell us what the College of Early Childhood Educators could do to further promote transparency for parents, members and employers?

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Ms. Beth Deazeley: I think that a number of the changes that were made as a result of the Child Care Modernization Act certainly helped us to do that. The expansion of the employer reporting obligations from purely applying to school boards to now encompassing everybody who employs ECEs goes a long way, as well as the provisions that allow us to share information as necessary with either law enforcement or with other regulatory bodies.

Mrs. Cristina Martins: Wonderful. Thank you. Once again, thank you for being here, and thank you for your input here today.

Ms. Beth Deazeley: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): The questioning will now move to the official opposition: MPP Coe?

Mr. Lorne Coe: Thank you, Chair, and through you, thank you very much for your delegation. I appreciate your being here. I want to stay with the physical and mental examination of members. I've read through your presentation. In particular, it provides the case for why you're requesting it, but it does beg the question about the extent of incidents where you have members who you suspect are incapacitated.

Ms. Beth Deazeley: I think that, as professionals and as humans, none of us are immune to the possibility that at some point during the course of our careers we may be subject to either a physical or mental issue that, for a period of time, affects our ability to practise. So what we want to be sure of, in this case, is that we have the appropriate tools available to support individuals in dealing with those issues, just as they would be dealt with by any of the other regulated professions.

Mr. Lorne Coe: So you just want to make sure that there's a check and balance and the remedies exist within the legislative framework to accomplish that?

Ms. Beth Deazeley: Absolutely. In the absence of an effective fitness-to-practise process, the default is that the issues have to be dealt with via the disciplinary mechanism in order to ensure that the public is protected. However, the fitness-to-practise process allows us to work with the RECE to address the root cause of the problem

and to support them in returning to practice safely and enjoying the remainder of their career.

Mr. Lorne Coe: Chair, through you, and turning to a different area of discussion here: In your experience and in your review of the legislation, are you satisfied that it provides adequate safeguards for your membership relative to false accusations?

Ms. Beth Deazeley: The processes that are set out in the legislation are transparent and they are fair, absolutely, to RECEs, in that there is a full opportunity to respond to allegations, they are dealt with in an open hearing, and the eventual decision is available to the public. It's on the website and it's circulated in our member publication. It can certainly be circulated more broadly. There is a particular provision in there that allows for broader circulation in the event that the complaint is found to be unfounded, because it does recognize that concern with fairness to RECEs and the possible impact of those types of allegations.

Mr. Lorne Coe: Thank you for that answer. Thank you, Chair.

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you have any further written submission, I would remind you that it needs to be to the Clerk of the Committee by 6 p.m. today.

Ms. Beth Deazeley: Thank you.

Ms. Lois Mahon: Thank you.

ONTARIO COLLEGE OF TEACHERS

The Vice-Chair (Ms. Ann Hoggarth): I'd like to call the Ontario College of Teachers as our next presenter, please. Please make sure that you state your name for Hansard. You have a five-minute presentation, followed by nine minutes of questioning.

Ms. Angela DePalma: Good morning. I'm Angela DePalma, chair of council of the Ontario College of Teachers. We want to publicly thank the government for moving to reintroduce this important legislation and thank you publicly for the opportunity to address it today. Our support for the spirit of the proposed bill is aligned to our belief in and continuing commitment to transparency and accountability. We are confident that that will become explicit over the next few minutes.

We'd like to start by saying that professional misconduct in Ontario is rare. There are 243,000 Ontario-certified teachers, and in any given year, fewer than 20 lose their licences to teach. The attention that teacher misconduct receives is significantly out of proportion to the ongoing examples lived by our members every day in this province. The vast majority are exemplary professionals who demonstrate the high ethical and practice standards expected of Ontario educators. Every day, they care for children, oversee their safety and nurture their growth and achievement.

That said, we treat every concern, every complaint, every investigation and every hearing with the utmost seriousness. We act with the highest respect for student safety, for the fair, open and timely treatment of our

members, and in an appreciation of the public's right to know.

The Ontario College of Teachers licenses teachers to work in publicly funded Ontario schools. It accredits the programs and courses that enable people to become teachers and to remain vital and current in their practice. We have established the ethical standards for the profession and the standards of practice for teaching and, going on 20 years now, we have been enforcing Ontario law with respect to matters of professional misconduct, incompetence and fitness-to-practise involving our members.

According to the Education Act, to be a teacher is to be a member of the Ontario College of Teachers. We are the profession's regulator and we operate in the public interest. We are the organization responsible for commissioning an independent report on our disciplinary processes in 2011 by former Ontario Justice Patrick LeSage. Our council adopted his report in its entirety. Of his 49 recommendations to improve our disciplinary processes and actions, we acted immediately on 23; that is, everything within our power to act on.

The Protecting Students Act, 2016, addresses the remaining recommendations, with the exception of two changes which require regulation. While Bill 37, as proposed, addresses the spirit of the recommendations, it can be improved.

Mr. Michael Salvatori: Good morning. My name is Michael Salvatori. I'm the CEO and the registrar of the Ontario College of Teachers. Thank you for the opportunity to address your committee.

We have some thoughts and concerns which we would like to bring to your attention. We have them in a briefing document that we'll leave behind for your review, but during this presentation, we'd like to draw your attention to three issues: the posting of decisions on our website for public information; withholding sensitive medical information; and language that would exempt spouses from allegations of sexual abuse or sexual misconduct.

With respect to the posting of decisions, we believe that decisions that come out of our publicly held hearings should always be publicly accessible. If Bill 37 is enacted as it is, discipline decisions dealing with suspensions, cancellations, revocations, withdrawals and non-finding verdicts would be the only decisions that would remain on the college's website indefinitely. Other decisions that would impose terms, conditions or limitations on a member's certificate would be removed from the website. Consequently, they would no longer be available to the public, despite findings of professional misconduct. Clearly, this is a misrepresentation of transparency.

Our disciplinary hearings are open to the public. Justice LeSage recommended that those decisions must be published and available on our website, with the name of the member. Further, he extended his recommendation about transparency to agreements arising from complaint resolution processes, a practice that is already common to other professional regulators in Ontario, notably those in health care.

The Vice-Chair (Ms. Ann Hoggarth): Thirty seconds.

Mr. Michael Salvatori: The college now posts all decisions to its website and shares the information with Quicklaw and CanLII.

With respect to the withholding of medical information, we do not currently place explicit details on a member's public register profile. When they are health-related or highly personal, we redact that information. The bill, as it is, would not allow us to do so.

Finally, with respect to the spousal exemption, we did not anticipate that the bill would contain an exemption for spouses. If it is maintained, we would advocate for the definition of "spouse" to be—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. This round of questioning will go to the government. Mr. Rinaldi.

Mr. Lou Rinaldi: Thanks for being here. Thanks for what you do every day. I thought maybe I should address my question in Italian, but maybe I won't.

Can you just—some clarification. We know Justice LeSage was sensitive in his report to the need for both increased transparency for families and fairness for the individual teachers going through the disciplinary process. He stressed that. Can you tell us how OCT's proposed amendments will help strike an appropriate balance between, on one hand, promoting transparency and protecting students, and on the other hand, ensuring there is a fair system in place to respect the teachers? Can you elaborate on that a bit?

Mr. Michael Salvatori: Absolutely. The process is one that does allow for the member to provide representations. The moment that there is a complaint, the member is informed and has an opportunity to present his or her case. At that point, none of the information is publicly available. It's only at the point that a three-person panel has determined that the allegations relate to conduct, fitness to practise or competence, and then refers it to a public hearing, that it would be made public. The information in the earlier stages is not. Then the member has an opportunity to have a defence during the hearing. Following the hearing, if there is a finding, there is an appeal mechanism for the member as well.

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Mr. Lou Rinaldi: Thank you. Han, did you have something you wanted to add?

Mr. Han Dong: Yes, it's just was in regard to—

The Vice-Chair (Ms. Ann Hoggarth): MPP Dong.

Mr. Han Dong: Thank you, Chair. It was in regard to the bill. Bill 37 is calling for a more robust—actually requiring reporting to the employer. In your view, how will these proposed requirements go to protect all our students, in the spirit of the bill?

Mr. Michael Salvatori: I think that the reporting to the employer is an important and essential element in the process, so that the outcome is known to the employer. Currently, we do report to employers, but we are restricted in certain cases: whether we're reporting to the employer who reported the allegations or to the current

employer. The changes would allow us to report to both employers, which we think is in the public interest, and allow them to make a decision, from an employment perspective, based on the facts that they would receive in the decision.

Mr. Han Dong: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll now move to the official opposition. MPP Barrett.

Mr. Toby Barrett: Thank you for coming forward. As we know, people are very concerned about the safety of their children with respect to sexual misconduct and child pornography. Society has measures in place, and the police has put a spotlight on these kinds of issues.

During debate, there was concern with respect to teachers or early childhood educators who could be falsely accused. I'm a former teacher, and I have a community down my way where the hysteria kicked in. With respect to false accusations, we're told that this legislation sets out the details not in the legislation but in regulation. Do you have a problem with that, or should we try and get it right in the legislation itself rather than leave it to someone else to come up with some regulations?

Mr. Michael Salvatori: In many cases, our act gives us the authority to develop regulations based on the act. In most of those cases, they function quite well. We don't necessarily have any difficulty with this provision.

As well, as I said earlier, I think there are provisions throughout the process in our due process to ensure that a member has an opportunity to represent him- or herself, and again through the appeal mechanism if there were a finding. But we don't see any particular issue with not embedding the elements in the act, but rather in regulations.

Mr. Toby Barrett: Okay. So we don't get to deal with that here. We have to trust someone else on that one.

The bill stipulates that a committee have hearings before deciding on revoking a teacher's licence; also, hearings to reinstate someone back into the system if they've been convicted. My question: Do we have confidence in the membership of the committee that hears these hearings? Will there be experts in this field?

Mr. Michael Salvatori: Currently, the panels would be constituted from our governing council, who do receive training in hearings. We think that it is important that the reinstatement hearing occurs. If a panel has decided that a certificate should be revoked, then it's important that there be a hearing also to judge whether that should be reinstated.

Currently, in our experience, it's quite rare that a member would request a reinstatement of his or her certificate and, in most cases, even more rare that a panel would decide to reinstate a member, because the earlier decision was really based on whether the public trust has been breached to the extent that a member could not regain that trust and return to ethical practice.

Mr. Toby Barrett: Should there be someone on this panel from children's aid or a lawyer or a psychologist or an expert in child abuse or pedophilia—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The time is up.

We'll move the questioning to the third party. MPP Taylor.

Miss Monique Taylor: Good morning. Thank you so much for being here today and through this process as many times as it has been before this House, as well as providing your recommendations and concerns moving forward.

I completely understand the need for protecting our students. There's not a doubt that everybody feels that need. But I'm also wondering about the thoughts of protecting a person who could be put into a position and could be innocent. What are the mechanisms that are going to be in place to ensure that if a person has been falsely accused of something—which we know could happen very easily—what provisions will be there to ensure that they can come out at the end of the day and possibly return to work?

Mr. Michael Salvatori: We do a lot of work with employers and with others on the complaint process and what would substantiate a complaint, so we do feel that the education that we're doing around allegations and the seriousness of that helps. As I mentioned earlier, there is also due process afforded to the member and ample opportunity for the member to provide evidence to the contrary that would refute the allegations.

If it's referred to a hearing, the member is normally represented by legal counsel. If they're a member of a federation, it's usually the federation that provides that counsel and provides them with a rigorous defence; the college serves as prosecution. Then the adjudicators, members of our panel, would make the decision.

If there is no finding, the decision is also made public, so there's an opportunity for the member to show that he or she has been exonerated or that there has been no finding. If there is a finding and they feel that it is unfair, there is also an appeal mechanism that would allow the member to appeal the decision of the college.

Miss Monique Taylor: Okay, thank you. The spousal portion: Could you go a little further and explain that, just for the record, please?

Mr. Michael Salvatori: In our brief, there's a little bit more information. We're either requesting that the spousal exemption be deleted or that there be a modification that would indicate that if the member and the student—and it may be an adult student—were spouses at the time of the allegations, there may be an exemption but it would not apply if there were a student-teacher relationship at the time of the allegations and they were married afterward or during the hearing. That would not exempt the member from the allegations.

We believe that a teacher is in a position of trust and authority over students. If a relationship is begun during that relationship, it should not be exempt from allegations of abuse or professional misconduct because later there was a spousal relationship.

Miss Monique Taylor: I understand the concept of it now. Is there anything else you would like to expand on?

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. Thank you for your presentation. Just to remind you that if you have any further written submissions to send in to the Clerk, it needs to come in by 6 o'clock tonight.

Mr. Michael Salvatori: Thank you.

CHILD ADVOCACY CENTRE OF SIMCOE/MUSKOKA

The Vice-Chair (Ms. Ann Hoggarth): At this point, we'll hear from the Child Advocacy Centre of Simcoe/Muskoka. Would you please, when you get seated, give your name and position for Hansard?

Ms. Jennifer Jackson: Good morning. I'm Jennifer Jackson from the Child Advocacy Centre of Simcoe/Muskoka.

Every day at the Child Advocacy Centre of Simcoe/Muskoka, we see the immense impact on children who have experienced abuse. The majority of the children disclosing abuse identify a trusted adult as their offender—a person they should be able to trust. Outside of family members, there are few ways in which people who desire to sexually exploit children can gain access. For this reason, many sexual predators are drawn to positions or opportunities which increase their access and time spent with children.

There are different kinds of offenders that violate the boundaries with children within a child-serving organization. One is the opportunistic offender who may not have previously considered inappropriate interaction or contact with a young person but nevertheless is responsible for their exploitation. Other offenders have a long-standing inappropriate interest in children and methodically position themselves in a career where their intentions would not be deemed suspicious.

Grooming is the technique that an offender uses to manipulate a child into trusting him or her and feeling comfortable so that she or he can gain and maintain sexual access to that child. Grooming usually begins with subtle behaviours that, on their own, one would not identify as inappropriate. This process is often subtle and gradual. Before an offender begins the grooming process with a child, they must first gain the trust of all the other adults within that child's circle of support. Within the Ontario College of Teachers Act, grooming behaviours are identified as a serious offence.

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Because it is human nature to repel the belief that one of our peers could be capable of such heinous acts, it is essential that a multi-disciplinary perspective be offered by a discipline committee. There is a great advantage to having a professional with advanced knowledge of the behaviours and the mindset of offenders who can best predict future risk. Without this specialized knowledge, one can misinterpret behaviours, displays of remorse and the intention of the offender. A discipline committee could be complemented by a clinician specializing in offender treatment, or a forensic psychologist.

Because educators are trained in duty to report but not necessarily in recognizing grooming behaviours, it cannot be expected that they alone can determine the safety of this individual to return to a teaching role, or the steps required for remediation.

In closing, we must honour the bravery of a child who discloses. Many times, the motivation for a child to disclose is the sense of responsibility to protect other children from the harm that they endured. It is the amendments to this bill that allow the necessary changes to be made to the disciplinary process to ensure the greatest degree of protection for our children in the future.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The first round of questioning will be by the official opposition: MPP Barrett.

Mr. Toby Barrett: Thank you, Chair. Again, the concern in our society for child pornography and sexual misconduct—certainly in the broader society there are so many checks and balances in place, and measures to try and mitigate risk, assess risk and monitor people who may be doing this kind of stuff. Do you feel the changes proposed in this legislation are adequate?

Ms. Jennifer Jackson: I feel that it's a step in the right direction and that there are already improvements that are coming forward, and we're seeing that. I'm impressed with some of the things that I'm seeing to make sure that our kids are safer. It's such a problem that needs to be approached and attacked from every different angle, whether it's the education system, the child protection system, or educating children about the risk. It's good to see that within the education system there are more efforts being made to do those checks and balances and to protect our kids.

Mr. Toby Barrett: The other night, my wife and I happened to watch a film titled *Indictment: The McMartin Trial*. This was a case back in the 1980s, where the McMartin family were charged and they were jailed for alleged sexual molestation and abuse of children in a preschool in California. It ended up being the most expensive criminal trial in US history. We see where things can get out of control.

There are the checks and balances—the committee to have hearings for staff. It could be any staff, I suppose—teacher or early childhood educator.

My question—I didn't get an answer the last time; we ran out of time. Should we have a psychiatrist on that committee, someone from children's aid, a lawyer, an expert?

Ms. Jennifer Jackson: Absolutely. It's very hard for us to believe that our peers are capable of these acts. It's important to have a professional in that setting who is highly, highly aware of the nature of predatory behaviour. There are so many myths about sexual offenders, so many things that the common public believe about their actions that are potentially not true. It is someone with advanced knowledge, I think, that can really speak to that, and very few other people.

Mr. Toby Barrett: Okay; thank you.

The Vice-Chair (Ms. Ann Hoggarth): Okay. We'll move to the third party: MPP Taylor.

Miss Monique Taylor: Thank you, Chair. Good morning, and thank you so much for being here with us today and for travelling to get here to be a part of this committee. As an advocacy group, I'm sure your life is encompassed with horror stories and with things that have gone wrong. I hear your solution of having someone on the board that understands predatory behaviours, that knows of grooming behaviour. I can't say that I would agree that it would be a child protection worker or a lawyer because I'm not sure that they actually have those same skills that you would be looking for.

Do you have any other thoughts or amendments or just suggestions that you believe, being part of the field and being part of the advocacy—how would you like to see children protected better?

Ms. Jennifer Jackson: I do.

Miss Monique Taylor: Please share them with us.

Ms. Jennifer Jackson: One of the most critical things, one of the most powerful things that I think that we could do to keep kids safe in relation to the education system is to make a mandatory training opportunity for educators and administration with respect to exactly that: those grooming behaviours, the nature of a child sex offender and also the indicators of a child who may be groomed or who may be experiencing sexual abuse.

We work very closely with the Canadian Centre for Child Protection, and they offer exactly that: a program called *Commit to Kids*. With that training, we always say, "Once you know, you can never not know." There is work being done at the teachers' college so that every educator would have that training, and we'd really like to see that mandatory.

Miss Monique Taylor: And how have those discussions gone with the college, and have you tapped into unions and have you tapped into teaching bodies to have those conversations?

Ms. Jennifer Jackson: That negotiation and those communications are being had between the Canadian Centre for Child Protection and those organizations. We wouldn't be party to that process, but we do advocate and support that, very much.

Miss Monique Taylor: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government for questioning: MPP Dong.

Mr. Han Dong: Thank you, Chair. "Once you know, you can never not know." I like that. Thank you very much for the presentation. The bill, Bill 37, proposes to amend the definition of a student to include children, even if they are not currently studying in school. From your perspective, how will this change enhance protection for the vulnerable population, specifically children?

Ms. Jennifer Jackson: Can you give me an example of when someone who is not going to school would be considered a student so I can refer that?

Mr. Han Dong: That's what the bill proposes to change, to expand the definition to include, even if a child is not at school, they should also be considered

being reviewed the same as if they were in school as a student.

Ms. Jennifer Jackson: I'm not still 100% sure, but I can say—do you want to speak to that?

Ms. Samantha Ward: I think I can. I think a lot of—

The Vice-Chair (Ms. Ann Hoggarth): Can you state your name, please?

Ms. Samantha Ward: Samantha Ward, abuse prevention coordinator with the Child Advocacy Centre.

We see a lot of times that whether it's a teacher or an educator, they also play other very prominent roles within the community. They may be a hockey coach or a soccer coach—volunteer positions, things like that, so even outside of their role as a full-time educator, they do still have access potentially to other groups of children.

I think that expanding that definition from just “student” into “children” is definitely a beneficial movement. When the end result is going to be protecting as many children as we can, let's broaden the definition as wide as we possibly can.

Mr. Han Dong: That's great. Thank you. Do I have more time?

The Vice-Chair (Ms. Ann Hoggarth): Yes: one minute.

Mr. Han Dong: Can you just tell us a bit more about your working relationship, if you do have any, with local schools, school boards and community organizations?

Ms. Jennifer Jackson: I will let Sam answer that one.

Ms. Samantha Ward: My role within the community is actually working with and providing training around the grooming process, red flag identifiers of a child who may be experiencing abuse, with child-serving organizations, whether that be within a school or a daycare centre, a preschool, a minor hockey league or a soccer team. We go in and provide that training for their front-line staff, their volunteers or administrators for those staff who are working front-line with the children and youth, and also with the administrative staff who are going to be implementing the policies and reporting procedures based on misconduct within their organization, getting that all set up for them so those processes are clean, clear, transparent and much easier for staff to feel supported in.

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The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. I'd remind you that the deadline to send a written submission to the Clerk of the Committee is 6 p.m. today.

Ms. Jennifer Jackson: Thank you very much.

BORDEN LADNER GERVAIS LLP

The Vice-Chair (Ms. Ann Hoggarth): Our next presenter would be Borden Ladner Gervais. Please come forward and state your name and your position for Hansard.

Mr. Maciej Lipinski: My name is Maciej Lipinski.

The Vice-Chair (Ms. Ann Hoggarth): You have five minutes for your presentation, followed by nine minutes of questioning.

Mr. Maciej Lipinski: Thank you. I'm an associate with the education group at Borden Ladner Gervais LLP. We act for school boards and independent schools throughout Ontario.

Our clients employ teachers. Our clients' foremost concerns include ensuring students' safety. In fulfilling their mission of ensuring students' safety, schools and school boards are guided by (1) the policies and codes of conduct that they have developed, (2) the provisions of the Education Act and its regulations, and (3) the regulation of teachers under the Ontario College of Teachers Act, which I will hereafter refer to as “the act.”

The amendments in the act proposed in Bill 37 represent a welcome addition to the frameworks that schools and school boards have available for ensuring students' safety and protection. We understand and appreciate that Bill 37 provides for measures that establish a high standard for the conduct of teachers while also ensuring that strict discipline is imposed where that standard is not met. Further, we understand and appreciate that Bill 37 provides for increased transparency of disciplinary proceedings undertaken by the Ontario College of Teachers, providing the public with increased assurance that these mechanisms are operating effectively and providing for accountability to the public where this is not the case.

We believe that Bill 37 is consistent with other recent legislative changes that have made important advances in the seriousness with which offences of a sexual nature, particularly against vulnerable people, are addressed in Ontario. Particularly, I would call the committee's attention to Bill 132. As of September 8, 2016, provisions of that bill amending Ontario's Occupational Health and Safety Act came into force and provided increased protections from sexual harassment at the workplace, including a provision for training to ensure that Ontario workers recognize sexual harassment when they see it.

With respect to schools and students in particular, Bill 132 will soon require Ontario's colleges, universities and private career colleges to put new policies and measures into place to ensure that students who are survivors of sexual violence are respectfully given a voice to report such incidents and, further, that prompt measures are available to ensure that other students are protected from experiencing similar violence where known threats exist on campus.

While recognizing the value of many of the measures under Bill 37, we believe that there is, nevertheless, room for improvement. Bill 37 can do more to ensure both the protection of students and, in line with measures such as those in Bill 132, take proactive steps that prevent sexual misconduct in the first place. There are three major points that I would specifically like the committee to consider.

(1) Bill 37 provides for the publication of disciplinary outcomes and the names of teachers who receive discipline. However, corresponding provisions to protect confidentiality by limiting such publication appear unclear on when and how the identities of impacted students are protected. We recommend that subsection 32.1(4) in

particular be amended to clarify the identities of persons who may request a restriction on the publication of such information. We further recommend that Bill 37 require the publication and periodic revision of the college's own redaction policies, based on input from parties who are affected by its disciplinary processes.

(2) Bill 37 requires reporting by a person or body that reasonably suspects harm but without providing tools for facilitating such reporting. We recommend, in line with changes to the workplace established under Bill 132, that Bill 37 similarly provide for the college to develop policies for training its members and others in recognizing and addressing signs of sexual misconduct and sexual abuse, as well as familiarizing these individuals with the disciplinary processes that follow from reporting these offences.

(3) Bill 37 provides for strict discipline against perpetrators of sexual offences but does not provide for support to survivors of such offences, and their families. We recommend, again in line with Bill 132, that Bill 37 make at least some minimum provision for communication between the college and the families of survivors to provide information about the disciplinary process, what's going on, its outcomes, as well as resources available in the community and elsewhere to provide support to these individuals where needed.

At this time, I thank you. Those are my submissions.

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

We'll move the questioning to the NDP: MPP Fife.

Ms. Catherine Fife: Thank you very much for your presentation and for trying to seek some clarity in Bill 37. Of the three priorities that you just identified, which would you prioritize? They're obviously connected in some ways. The last point around strict discipline and providing some supports: How do you see that happening, from the college's perspective?

Mr. Maciej Lipinski: I think that a simple procedure for communicating—whether in written form—simply to provide notice to families directly from the college, directly from the body that's undertaking the disciplinary processes in question, rather than funnelling communications through the intermediary of schools and school boards, but some direct communication, some open lines where—again, we're not talking about extensive provision of counselling and resources. We're simply talking about the disclosure of information so that families of survivors and survivors themselves are not left in the dark as to what's happening, as to what the process is, and that they're aware of what's going on, opportunities to participate and opportunities to receive support.

I think that's significant because it, again, provides these individuals with a sense of where things are at so they can proceed to move forward when terrible things have happened.

Ms. Catherine Fife: Are you proposing something like a restorative justice process? Would that be a formal recommendation?

Mr. Maciej Lipinski: Not necessarily something as extensive as a restorative justice process, where we have

an engagement between the survivor and the alleged perpetrator or perpetrators, as it may be, but simply a direct line of communication between the college and families themselves.

Again, it's simply a provision of information—a regular update. When a major development in the proceedings has occurred, such as after a hearing, the family would receive some sort of written communication, or a telephone call, or have a telephone number available to them where they could call in and receive such information. I imagine that that might be available currently, but we'd like to see some specific policy established around that.

Ms. Catherine Fife: You mentioned earlier in your comments that you would see the intermediary of the board being problematic in that. You see the college having an improved or increased responsibility around communication and relaying information. I'm only taking this as in order to provide some closure, but you specifically would not want the boards to be involved with that?

Mr. Maciej Lipinski: I raise it because, again, communication is most effective when it's direct. I wouldn't necessarily say that it would be problematic to involve school boards—I'm sure that school boards would be happy to participate—but simply that involving more parties in a communication process such as this—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

We'll move the questioning to the government: MPP Anderson.

Mr. Granville Anderson: Mr. Lipinski, thank you very much for being here. I'm familiar with your firm. You did some work with my former board as well—your firm did.

Mr. Maciej Lipinski: Thank you. I appreciate that.

Mr. Granville Anderson: You touched on two points: one that MPP Fife touched on about support for families, etc.; you also touched on preventative measures. I believe that you would be talking about professional development and that type of thing.

Mr. Maciej Lipinski: Yes.

Mr. Granville Anderson: Do you want to elaborate on what the preventative measures would look like?

Mr. Maciej Lipinski: Certainly. I think that this speaks most to my second recommendation of providing some sort of requirement that policy be developed by the college in terms of training its members and, where appropriate, training others in the school community to recognize the forms of misconduct contemplated by Bill 37, where they occur.

Bill 37 proposes—particularly under the new section 47.1—that a body or individual who reasonably suspects that this sort of misconduct is happening report it to the college. However, as Bill 37 has recognized and as the previous speaker before you has raised, it can be difficult, in these sorts of circumstances with respect to this type of misconduct, to know when one sees something and wants to say something, what one is looking at and to know whether one's inferences are reasonable given that these are rare occurrences. Many, if not most, teachers would

not have directly experienced this sort of sexual misconduct or know how to deal with it when they suspect it. "What sort of questions would you ask a colleague?" for instance, would be one important point of training. "How would you approach a potential survivor, their family? How would you simply inquire to know more as to determine whether your suspicions rise to the level of being reasonable, such that you would be reporting them to the college under these new provisions?"

1010

Silence, I think, is the worst enemy of survivors, individuals, facing these sorts of misconduct. That's why we often see in many cases that the conduct goes very far before it's actually recognized. But once it's recognized, we hear, in retrospect, that certain signs, certain indicators, might have led to an inference that this sort of misconduct was occurring were evident—so for us to take proactive measures so that steps could be taken at that earlier point. Again, I think that sort of training would provide confidence to members in having an approach to probe their suspicions and to determine whether they have a reasonable ground to report or do something further.

Mr. Granville Anderson: Do I have some more time?

The Vice-Chair (Ms. Ann Hoggarth): You have about five seconds.

Mr. Granville Anderson: Okay. Then I was—

The Vice-Chair (Ms. Ann Hoggarth): I'm sorry. Time is up.

Moving to the official opposition: MPP Coe.

Mr. Lorne Coe: Good morning, sir. Thank you for your delegation. Let's turn for a moment to the legislation and some of the regulations within that legislation that would have details and, in particular, subsections 26.2(2) and (3). They deal particularly with the investigation committee and frivolous and vexatious complaints and timely disposal. I'd like your opinion as to whether you think that those regulations should be consulted with the College of Teachers.

Mr. Maciej Lipinski: Would you mind clarifying—in what sense "consulted with the College of Teachers"?

Mr. Lorne Coe: Should the Ministry of Education work with the College of Teachers to ensure consultation before they're introduced?

Mr. Maciej Lipinski: Yes. I believe that more voices, more input, in developing a provision like that is important because, again, we're talking about very rare but very serious occurrences. The occurrences, where they are suspected, due to their seriousness must be investigated thoroughly. But due to the seriousness of the accusation against the individual who is alleged to have been involved in this sort of misconduct and the rarity of these sorts of events, so few of us have direct experience in dealing with this sort of event and the sensitivities that surround it.

I think your colleague mentioned earlier some cases from California where I believe there was an issue of false memories on the part of the witnesses. You're deal-

ing with very sensitive witnesses. When you're dealing with children, traumatic memories can be easily influenced and changed before an investigator who is an authoritative adult, and dealing with child witnesses is a delicate and careful process.

To the extent that you have experienced expert voices consulting and developing policy towards understanding what sort of evidence should be acceptable and what sort of procedures should be undertaken to determine what is in fact a frivolous and vexatious complaint and the rigour to be associated with that, striking the appropriate balance between being rigorous but understanding the delicate nature of the witnesses you would be dealing with. Again, to the extent that there's more consultation—

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation.

I'd remind you that the deadline to send a written submission to the Clerk of the Committee is 6 p.m. today.

At this time, the committee will stand recessed until 2 o'clock this afternoon.

The committee recessed from 1015 to 1401.

ONTARIO SECONDARY SCHOOL TEACHERS' FEDERATION

The Chair (Mr. Peter Z. Milczyn): Good afternoon, committee members. We will now resume consideration of Bill 37, An Act to amend the Early Childhood Educators Act, 2007 and the Ontario College of Teachers Act, 1996. As ordered by the House, each witness will receive up to five minutes for their presentation, followed by nine minutes of questioning from the committee, or three minutes from each caucus. I ask committee members to ensure that the questions are relevant to Bill 37 and to keep them brief in order to allow maximum time for the witness to respond.

Are there any questions before we begin? No? Then I will call the first witness: Mr. Paul Elliott with the Ontario Secondary School Teachers' Federation. Good afternoon, Mr. Elliott. Just for the official record, as you begin your remarks, if you could identify yourself.

Mr. Paul Elliott: Paul Elliott, president of the Ontario Secondary School Teachers' Federation. I have Chris Goodsir with me, who is on our staff at OSSTF. I'll start right away, then. I'm going to get through some items. I know that we have a report there, but we are an organization that represents more than teachers. We represent 60,000 not only public high school teachers, but also EAs, instructors, speech-language pathologists, social workers, plant support personnel—a wide range.

I want to speak to three specific items around Bill 37 as it follows on the LeSage report that came out in, I believe it was, November 2012. I'm going to speak to three items specifically.

One deals with the publication of members' involvement in criminal proceedings. Bill 37 looks to amend the act to include additional information on the public register of the college, specifically information regarding members' involvement in criminal proceedings.

I'm going to speak specifically to some of the recommendations in the LeSage report. Recommendation 37 speaks to the college's legislation or bylaws: that they "should be amended to allow for the placement on the register of undertakings and information about the results of relevant criminal proceedings involving the member."

You might not be aware that the college did amend their bylaws to reflect the LeSage report, and they did it in a number of ways. One of the things that they have prescribed in it—it deals with the summary of a restriction imposed on a member's right to teach that has been imposed by a court or other lawful authority.

What we're looking at here is how far too broad the amendment is. The amendment speaks to information respecting any current or previous criminal proceedings involving a member that is relevant to his or her membership, including any undertakings of the member in relation to the proceeding. One of the things that we've really looked at in this is "current or previous" and "relevant." We've been unable to find anything that is not relevant to his or her membership in the College of Teachers. It's just speaking to the nature of the profession and the wide scope of it, especially when you speak to current or previous criminal proceedings. The amendment is actually inconsistent with the recommendation that was made by LeSage in the LeSage report. That's one of the significant problems that we have with this.

LeSage did make some recommendations, and those recommendations were not followed in the amendment that has been put forward. One of the things we find is that the amendment requires the posting of criminal proceedings which may include unproven charges which have yet to be resolved. That's one of the issues that we're talking about here: criminal proceedings that are also posted on anything which has yet to be proven. One of the things we find with this is that the prejudicial effect these postings have for innocent members is wide-ranging and is felt for years. I'm going to come back to that a little bit later.

The other issue we find is that it's possible that non-relevant criminal convictions will be included. We speak to some of those other ones—that these can needlessly harm excellent and long-serving teachers. These are convictions that can go back a number of years, that can go back to pot possession—historic convictions when members were teenagers or very young adults. These may have a discriminatory nature, especially when we get into the Human Rights Code.

I'm also going to speak to—and I'm not going to get into a lot of detail because I know I'm limited in time, but I urge you to read over the comparisons that LeSage makes to the Royal College of Dental Surgeons. I think the recommendation he makes is that what was in the college of dental surgeons is something that should be reflected in this. I think it deals with it in a way that really would be a lot more fair to the public and also to the members of the college.

The last one I'll get into is the definition of a suspension. This requires employers to report a member's

conduct to the college when a member is terminated or when it imposes restrictions on the members. One of the things that we have listed there and is in the LeSage report—one of the things he makes very clear in it—is that the college must better define "restrictions on the member's duties" because it is far too broad, as it states. The bill goes through a significant list of restrictions there.

I'm going to go down to our recommendations in this. We would like to submit that the current language does not clarify the situation. What is in Bill 37 does not clarify the situation at all. One of the things we have is about—when a complaint is made against a teacher, it's standard practice for an employer to send that teacher home with pay—not always, but sometimes—whilst an investigation takes place. When the investigation is complete, the employer decides whether to discipline or restrict the teacher's duties as a result of the investigation's conclusions. However, the investigation may also exonerate a teacher, and no discipline or restrictions may result. We need—

The Chair (Mr. Peter Z. Milczyn): Mr. Elliott, I'll have to stop you there. You're just over five minutes.

This round of questioning will begin with the government side: Mr. Baker?

Mr. Yvan Baker: Mr. Elliott, would you like to finish? I only have three minutes to ask you questions, but would you like to finish what you were about to say?

Mr. Paul Elliott: I just want to highlight that there's something in here—a couple of things that we really specify. I think it's something that really should be done, and even LeSage recommended it. It has to do with the prosecutorial viability assessment. It deals with something that has been ongoing, where we have waited four years for anything to happen. If they were to institute some method of prosecutorial viability assessment at the investigation committee stage, it could go a long way to dealing with the backlog of cases that have yet to be heard. It also deals with the issue that, if this is not a case that has any viability, then that does not need to be posted, and that member does not need to go through something that they have been accused of—without any proof, without any verification—with all of that being public. If they go through some viability before any of this happens through their investigation process and before things are posted, I think it's something that really would help the profession. It helps the public's confidence and all of those things, as opposed to dealing with people that are just accused of things, with absolutely no proof.

Mr. Yvan Baker: Okay. What I would like to ask you about is—one of the fundamental themes of the LeSage report, in addition to transparency, was efficiency. There are several amendments in this bill aimed at improving the efficiency of the disciplinary process, including, for example, the establishment of clear timelines for the disposal of a matter by the investigation committee. From a teacher's perspective, can you please speak to the importance of an efficient process?

Mr. Paul Elliott: Yes. We wouldn't mind an efficient process. I think it speaks to the deal when we have people that are members of the college who are accused of certain things. For them to be hanging out there for four years is a problem. It's a problem for that member. It has to do with them being in a case or a situation of limbo until their case is actually heard. That's one of the things we talk about—the prosecutorial viability assessment is an important piece to go to that. As soon as these come in, there can be some sort of investigation that really can be done to see if this needs to create more backlog. If this is a case that can be taken out of the hearings, then you're going to start to see that diminish, too.

1410

Mr. Yvan Baker: Chair, how much time do I have?

The Chair (Mr. Peter Z. Milczyn): Just under a minute.

Mr. Yvan Baker: As you know, Mr. Elliott, this bill sets out clear rules for the use of dispute resolution. For example, it permits the registrar to refer less serious matters to dispute resolution. From a teacher's perspective, could you speak to the value of dispute resolution and the circumstances where you think it would be appropriate?

Mr. Paul Elliott: I'm going to move over to Chris.

Mr. Chris Goodsir: One of the concerns that OSSTF and our members have with complaint resolution is that there's a reopener clause currently within the complaint resolution process. If that is addressed—I know that the college is experimenting with a pilot project right now, so we're going to wait and see what the results of that are before we decide whether that process is traditionally fair for our members to engage in.

Mr. Yvan Baker: Okay.

The Chair (Mr. Peter Z. Milczyn): Thank you. Our next question will be from the official opposition. Mr. Coe.

Mr. Lorne Coe: Thank you, Mr. Elliott, for your presentation. It was very thorough. The concerns that you've raised plus the solutions that are outlined here quite specifically—have you shared them with the Ministry of Education?

Mr. Paul Elliott: Yes, we have. Since the LeSage report initially came out, we've had discussions with the ministry about the LeSage report. These were also brought forward when the bill was initially introduced.

Mr. Lorne Coe: So the solutions that you've outlined here in this submission—you've had discussion with staff at the Ministry of Education. Is that correct?

Mr. Paul Elliott: Yes.

Mr. Lorne Coe: What type of response did you get?

Mr. Paul Elliott: I would say it's not the response that we're looking for because we've yet to see the amendments when the bill was reintroduced. We've had no inclination of any amendments that are going to be made to the bill.

Mr. Lorne Coe: There are a few areas of the bill where details will be set out in regulations; notably,

section 26.2 and new section 26(3) to section 402. These are sections that pertain to the investigation committee and frivolous and vexatious complaints and some of the points you've raised already about timely disposal of those complaints. Do you think the Ministry of Education should be working with the College of Teachers and others to ensure that consultation occurs before the introduction of those regulations?

Mr. Paul Elliott: I think one of the things we get into in dealing specifically with what you're talking about—one of the problems we've had is the salacious details that are always put on the college's website, which outlines, I would say, in a lot of specific detail things that are unproven or haven't gone anywhere. When it comes to how those are going to be dealt with, and through regulation, I would think there needs to be a full consultation anyway before these regulations that might change the details and how they're being presented—needs to happen.

Mr. Lorne Coe: Including with you and your—

Mr. Paul Elliott: I would say with all stakeholders.

Mr. Lorne Coe: Thank you for that answer.

To my colleague.

The Chair (Mr. Peter Z. Milczyn): Ms. Munro, you have about a minute.

Mrs. Julia Munro: Okay. I wanted to pursue this question on the regulations. Obviously, regulations are done through a different process than the legislative one. Besides what you have mentioned at this point that you would want to see—is there any other avenue that you think this regulatory one is best suited? Are there things that are in the report and in the process that actually, in your view, belong in the regulatory process?

Mr. Paul Elliott: The regulatory process, I think, is always an interesting process, and we've been through this many times. I don't care what government it is; at the end of the day, if you're going to get into any regulatory process where things can be unilaterally altered without any full opportunity for input—and opportunity for input that's going to be listened to, that might actually change the regulation and change the direction of where it might be going is so important to where it might very well go. We've always had a fear of, depending on the government of the day, what can happen to regulations because they can be unilaterally imposed.

I can't think of anything specific at the moment, unless you want to draw my attention to something specific.

Mrs. Julia Munro: I'll just ask you: membership—

The Chair (Mr. Peter Z. Milczyn): Thank you. We have to do our next round.

Ms. Fife, for three minutes.

Ms. Catherine Fife: Thank you for giving such a comprehensive report with recommendations which specifically address some of the concerns that were raised during the debate on Bill 37.

One is that I wanted to give you an opportunity to talk a little bit about the reduction of the particulars piece, Paul—the recommendation, which is not contained

within Bill 37, around professional misconduct which the member is alleged to have breached, but not the salacious details of the alleged events and offences, because there's great harm that's done when those details are published. The harm is done to the victim and the person who is alleged to have committed that.

Do you want to comment on this a little bit, please?

Mr. Paul Elliott: We tried to put it in the report here also, and I think we really went back to—we have a lot of respect for LeSage. When you bring in an expert to prepare a report and the time is spent on it, I think it needs to be recognized, what's in the report.

Even he stated in the report, if I quote from it, that “the notice of hearing must contain a concise statement of the material facts and allegations, but not the evidence. The evidence is to be presented in a public forum where it will be heard and weighed by a trier of fact.”

That's a significant piece in all of this that I think needs to be respected. It needs to be respected in two ways. One is for the person who's accused of this, but in the public forum, the one thing that sometimes—this only serves to undermine, I would say, the professionalism of public education. It's not something that serves the public well and it doesn't serve the members well either. I think it really speaks to the whole fact here that this is just to—the concise statement of material facts and allegations is one thing, but getting in the evidence and making all the evidence public before it's even heard, which might be up to four years that it might sit out there without actually being dealt with.

The other problem we get into with this and the timeliness and all of this—it's happening more and more frequently. All of this goes out, all of this is posted, and two weeks before the hearing, the case is dismissed. So it's been out there sitting in the public for four years and then it disappears. It's been out there for four years. Anyone could have copied it; anyone could have posted it somewhere else. And if it's copied and posted somewhere else, it's impossible then to pull it back from other places too.

Ms. Catherine Fife: No, we definitely agree. Justice is not served when that happens. The two- to four-year wait: I think a lot of people would be very surprised to learn that a disciplinary hearing takes that length of time. These are victims and these are people who have either had transgressions or are innocent, but they really are decided on their guilt before their innocence can be even proven. So we need to make sure that Bill 37 is actually a fair process and a balanced process, both for students and the professionals.

Thank you very much for being here.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Mr. Elliott, Hansard did not catch your colleague's name.

Mr. Paul Elliott: It was Chris Goodsir.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. And we have your written submission. If there's anything further you wanted to add in writing, you have until 6 p.m. today to add any further information.

LONDON ABUSED WOMEN'S CENTRE

The Chair (Mr. Peter Z. Milczyn): Our next witness: London Abused Women's Centre, Ms. Megan Walker. Good afternoon, Ms. Walker.

Ms. Megan Walker: Good afternoon. My name is Megan Walker and I'm the executive director of the London Abused Women's Centre, which is an agency that provides advocacy, support and long-term counselling to women and girls over the age of 12 who have been abused or violated sexually either in intimate relationships, by strangers, in prostitution, sex trafficking, or in the workplace. I'm really happy to be here today. Thank you.

I want to just first, at the outset, talk about an incident that occurred in London through the Thames Valley District School Board in 2011 where a teacher was caught at a London school with a pen camera. He was caught following complaints from staff who had seen him using it. He admitted he had taken videos of fully clothed women, particularly focusing on their breasts and cleavage, but he did plead not guilty. Four years later, he was acquitted by a judge who indicated that, “Of course, my assessment is subjective and may be the subject of lay or judicial criticism.” It certainly was subject to that criticism, particularly given that a judge who we expect to be unbiased admitted to making a decision based on his own subjective views.

I'm concerned about section 30.2 where it provides that the disciplinary committee can find a member guilty of committing sexual abuse of a student. I think that is outside the jurisdiction of any disciplinary committee and is better handled in a court of law.

What I would suggest as an alternative is that disciplinary committees can certainly find members to be not in compliance with their professional standards, but to suggest that they could find somebody guilty of sexual assault when that's a matter for the courtroom I think is inappropriate.

1420

I'm also concerned that we've seen a judge who has admitted that he made his decision based on subjective information. It does raise some red flags around how a disciplinary committee of peers could make an unbiased decision. We would suggest that that committee be expanded to include victims' rights advocates, survivors, parents and peers as well.

I also have found that in the bill what is missing is any provision to make services available to victims of teacher abuse. I think that's something that needs to be paid attention to and offered.

Outside all of that, I would like to just suggest that the provincial government does pay attention to what's going on in the criminal courts. It does relate to this. This case was four years from the time the charge was laid until the individual teacher was found not guilty. In London right now, Superior Court matters are taking anywhere between a year until it gets to the preliminary hearing and two years before it gets to the final trial stage, and

provincial courts are taking anywhere from nine to 15 months. During that time, not only do the victims suffer but, in a country where we pride ourselves on people being innocent until proven guilty, so too do the accused.

The Chair (Mr. Peter Z. Milczyn): Thank you very much.

Ms. Megan Walker: You're welcome.

The Chair (Mr. Peter Z. Milczyn): This round of questions will begin with the official opposition. Mrs. Munro?

Mrs. Julia Munro: Thank you very much for coming here today to offer your suggestions.

The question that begs for me as I listened to your comments when you were referring to the committee, that kind of a hearing, and a criminal one—obviously very significant in the differences. But since the piece of legislation that we're looking at allows for a committee process, I'm just wondering, in the context of this piece of legislation, who you would deem to be the appropriate membership of a committee looking at this.

Ms. Megan Walker: I believe that the committee structure is really important and should of course include peers but also sexual assault advocates and experts. I would suggest some parent groups and also victims' rights advocates, because I think there has to be context to every assault and I'm not certain that teachers alone have the expertise to rule on those things.

Mrs. Julia Munro: Has there been anything that you would use as an example of where this would make a significant difference?

Ms. Megan Walker: Well, I think we can look at what happens in the criminal courts, specifically, in this case, where there's an admission of subjectivity. What we do find in committee structures—in the city of London, for instance, it's a multidisciplinary committee that is charged with taking a look at abuses in the workplace. I think we need to look at examples like that and models that already exist.

Mrs. Julia Munro: Thank you very much.

Ms. Megan Walker: You're welcome.

The Chair (Mr. Peter Z. Milczyn): That's all?

Mr. Lorne Coe: Thank you very much for your presentation and for the work that you do in London.

I believe you were in the audience when I asked my question of the previous presenter on the regulations that set out some of the details that underpin the bill, in particular those parts that deal with the investigative committee, again, as well as frivolous and vexatious complaints and timely disposal.

Do you think the Ministry of Education should be working with organizations such as yourself and the Ontario College of Teachers to ensure that consultation takes place prior to the introduction of those regulations?

Ms. Megan Walker: Yes, absolutely. I think all of the stakeholders have to be included.

I think it's unfortunate for victims and any accused person to have information available to the public and hanging out there for a long period of time. I don't think that is justice. As I say, we do live in a country—and we

are fortunate—where we are innocent until proven guilty, and I think we have to be cognizant of that.

Mr. Lorne Coe: Great. Thank you for your answer. Thank you, Chair.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Coe.

Ms. Fife for three minutes.

Ms. Catherine Fife: Megan, I think you bring a very distinct perspective to this legislation from the victims' services perspective. This morning there was a delegation who really felt that the college should have specific responsibilities—bypassing school boards, what have you—around ensuring fair communication with the victims and the accused and ensuring that there is a built-in mechanism for support. Can you comment on that? Because you've raised that this legislation needs to talk about victim supports.

Ms. Megan Walker: I think it's absolutely critical. As the previous speaker said, once this information is available and it's online, it can be circulated over and over again. We have seen in some of these cases where a student who has come over to disclose something that has happened—they're bullied in the aftermath because wrong information is distributed. I would assume we would also see wrong information then distributed about the member.

So I think we need to be really careful in how we're handling these things. The college is not a judicial body. It doesn't have the same rights to subpoena individuals, for instance, for information. If they're given the power to do that, it is the victims that will suffer, but so too will the members suffer as a result.

Ms. Catherine Fife: Okay. Thank you for bringing that concern to this committee.

Ms. Megan Walker: Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Ms. Hoggarth.

Ms. Ann Hoggarth: Thank you for your presentation. It's the core priority of this government to ensure that our young people are protected from sexual abuse and misconduct. That is the fundamental purpose of this bill, which proposes amendments that would, for example, require mandatory revocation of a teacher's certificate if the teacher is found guilty of sexual misconduct.

Can you please tell us how the proposed amendments under this bill might help Ontario's children, including the young women and girls who you work with?

Ms. Megan Walker: Well, just to go back to one of my statements previously, I agree that if a teacher is found guilty in a court of law, that teacher should no longer be teaching students. My concern is that there is power being given to the association or the disciplinary committee to be able to find that teacher guilty or innocent, and I don't believe that's appropriate.

I do believe in prevention. One of the things that I think has been missing in this bill is attention paid to students as far as what programs are going to be mandated in place to ensure that students understand what abuse is and how they can safely go about reporting. And once

they do report, what provisions will be in place for them to support them?

I think that's a really important piece that's missing. If the outcome is to ensure the safety of students, I think we need to address the safety of students in the legislation.

Ms. Ann Hoggarth: Do you have any other recommendations about how this bill could be amended?

Ms. Megan Walker: Well, there is one thing that I think is important to remember, which is that I was invited here two days ago. I'm not sure that one day of hearings, with little notice, is enough to provide a comprehensive plan or comprehensive feedback. I'd like to know how many student groups the committee has heard from. How many victims' rights organizations have you heard from? Because if you're not hearing those voices, you're missing a huge opportunity to really act in the best interests of students.

Ms. Ann Hoggarth: Thank you very much.

Ms. Megan Walker: You're welcome.

I would just like to say one thing before my time is up. I am a mom, as well, to three daughters, who all went through elementary and secondary school. The teachers who taught my children were a gift and blessed them with great tools for the future. The majority of teachers are just incredible and give so much every day. I don't want anybody here to paint all teachers with one brush and I certainly don't want you to think that's what I've done.

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. Walker, for your presentation.

Ms. Megan Walker: Thank you so much.

The Chair (Mr. Peter Z. Milczyn): If you do want to submit something in writing to us, you have until 6 p.m. today.

ELEMENTARY TEACHERS' FEDERATION OF ONTARIO

The Chair (Mr. Peter Z. Milczyn): Our next witnesses are from the Elementary Teachers' Federation of Ontario: Ms. O'Halloran and Ms. Thede.

As you begin, if you could state your names for the official record, please.

Ms. Sharon O'Halloran: Good afternoon. My name is Sharon O'Halloran and I am general secretary of the Elementary Teachers' Federation. My colleague is Susan Thede. Susan is the coordinator of professional relations services, but she also sits on the college's interaffiliate committee.

1430

We're glad to be here today to address issues of significant importance to teachers and early childhood educators as well as the public. Our submission focuses primarily on schedule 2 of Bill 37, the section that deals with the Ontario College of Teachers Act. It is important to mention that the concerns expressed also apply to parallel provisions in the Early Childhood Educators Act. We represent designated early childhood educators as well as teachers.

ETFO acknowledges the responsibility of the Ontario College of Teachers to fulfill its role in investigating and responding to allegations of professional misconduct involving its members. It is in the interest of the profession as well as the public to ensure that schools are safe environments for students.

ETFO is concerned, however, that provisions in Bill 37 fail to respect recommendations put forward by Justice LeSage regarding requirements to ensure that the very few members who face allegations of professional misconduct are treated fairly throughout the investigation and discipline processes. Specifically, the legislation fails to adopt the LeSage recommendations that call for providing early and full disclosure to members facing allegations. The members of this committee must ask themselves what the rationale would be for not ensuring that there is full disclosure of the information pertaining to allegations made against teachers.

ETFO is seeking amendments that would address the rights of members to fair and due process—amendments that would not undermine the college's responsibility to protect the public interest. We do wish to acknowledge that MPPs have addressed this issue in their debate and we appreciate this.

The federation is also seeking changes to the bill's provisions that deal with information about members included on the college register and that clarify the mandate of the college. The majority of our recommendations deal with the importance of ensuring that there is full disclosure of information that relates to an allegation of professional misconduct.

I won't read through the recommendations, but with respect to the disclosure of information, you will note that our recommendations speak to the following aspects of the college's investigations process: When the college registrar notifies the member about a complaint against that member, in recommendation 1, you'll see that we're suggesting very specific language that this sharing of information, this disclosure, should happen on the same day.

When a school board forwards a complaint to the college—this is addressed in recommendation number two—again, it is our position that members should receive this information at the same time the information is sent to the OCT.

When the college's investigation process gathers information and documentation pertaining to a complaint—recommendation number 5—we want to ensure that the member receives the information at the same time as the college and the registrar.

When the college investigation committee reviews the information and documentation related to the complaint, we've addressed in recommendation 4 that the current language allows some discretion around the information that is shared and when it is shared. We're looking for this language to be narrow, to be clear and, again, to support fairness, transparency and the principles of natural justice.

When a school board forwards a report to the college regarding the termination of a member, restriction of a

member's duties for reasons of misconduct or the resignation of a member during an investigation of professional misconduct—these are addressed in recommendations number 5 and number 6. We are looking at recommendations that involve sharing of information with members at the same time.

In all of these recommendations, ETFO is simply seeking full and timely disclosure of information to the member facing allegations. It's about fairness and due process.

You have given us limited time to address the very detailed provisions of this bill. In the time that I have left, I would like to draw your attention to the remaining recommendations, which address member information posted on the college register and the website. That is addressed in recommendation number 7. We are looking for very clear limits on what can be posted.

The importance of doing a prosecutorial liability assessment before taking complaints forward to the college discipline committee, as recommended by the LeSage report, is addressed in recommendation 8. We believe that this is important to the college as well as to the public. It happens in many other regulatory bodies and legal proceedings, and it will ensure efficiency.

The Chair (Mr. Peter Z. Milczyn): Ms. O'Halloran, I'm sorry. I have to stop you there to stay on schedule. This round of questions will begin with the third party: Ms. Fife.

Ms. Catherine Fife: Thank you very much. This is very extensive, so thanks for providing that, because this bill, obviously, will need a number of amendments to it to reflect the work of Mr. LeSage. Under recommendation 2, though, I wanted to give you a little bit more time to talk about the importance of disclosure around the same time and perhaps give us an example of how this would impact the outcome of the case, if you don't mind.

Ms. Sharon O'Halloran: Our experience has been that our members don't always receive all of the information up front, and there is a concern about timeliness and efficiency. If the information isn't shared up front and individuals don't have the ability to respond to all of the information at the onset, then that puts them in a position of unfairness. It also extends the process when you find out that other information is being introduced later on during the investigation and you haven't had that opportunity to respond and you need that opportunity. The principles of natural justice provide for that opportunity, so the concern around sharing the information up front, with full disclosure and no surprises, is a primary concern.

Ms. Catherine Fife: That was also a recommendation of LeSage?

Ms. Sharon O'Halloran: Correct.

Ms. Catherine Fife: Okay. I just want to talk very briefly about this process, because LeSage had finished his report, I think, in 2012. It's 2016. There's obviously, from all stakeholders, an interest in having some clarity around these issues. But when you look at the delegations and the public consultation process, do you think that this

is adequate public consultation on this piece of legislation? And would you also mind commenting on the lack of student voices, actually? Because they're an important part of the process as well.

Ms. Sharon O'Halloran: Thank you for that question. My honest answer would be no, we don't think the consultation process is adequate or sufficient. Being limited to five minutes, as you can tell, is not sufficient. I was not able to address a key area, but you'll read about that in the materials. We do believe more opportunity for input is important and, of course, including all of the stakeholders is important in the dialogue and the review process as well.

Ms. Catherine Fife: Okay. Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you. The next round to the government: Mr. Anderson.

Mr. Granville Anderson: Ms. O'Halloran, thank you both for coming this afternoon. You've articulated the changes you'd like to see quite eloquently, and we do take this seriously. We want to make it right and fair and transparent for all parties concerned in this matter.

Having said that, while it is a fundamental objective of this bill to promote transparency for families and children, the bill also provides for the timely removal from the register of information that's no longer applicable or relevant. Can you please speak to this provision and to the value of removing inapplicable and irrelevant information in a timely manner?

Ms. Sharon O'Halloran: Yes, and thank you for that question. That has been something we have been advocating for for a very long time. Once that information is out there, it's very difficult to recover from that. The fact that it's on the register and in the public for a very long time just continues to put that member at a serious disadvantage, so that's been an issue that we have spoken about and advocated on for quite some time. We feel that the information in the register should be updated regularly and that when a member has fulfilled the obligations, whatever the sanctions are, that the notification should be removed.

Ms. Susan Thede: I would just add to that that we believe that this should be handled in a consistent way, and our recommendation 7 speaks to that in terms of removing the discretion as to what in fact does get released to the public. This is what should go to the public. We respect the college's right to do that, of course, in terms of respecting the public interest, but what is posted should be consistent and not at the discretion of the registrar, and so our recommendation 7 speaks to that issue.

Mr. Granville Anderson: Okay. Can you tell the committee how OSSTF's proposed amendments would help protect the public interest, and in particular, students? You did say a little bit to the fact that there was one key area you didn't get to. Here is your opportunity to elaborate on that.

1440

Ms. Sharon O'Halloran: We missed part of that presentation, unfortunately. I don't think that's the area

that I missed. That wasn't the area that I was referring to that I didn't get to.

Mr. Granville Anderson: Pardon me?

Ms. Sharon O'Halloran: I'm sorry. You're asking me to comment on OSSTF, which I don't know.

Mr. Granville Anderson: Sorry, sorry—ETFO.

Ms. Sharon O'Halloran: Okay. Can you repeat then what you're asking me to comment on?

Mr. Granville Anderson: Can you tell the committee how ETFO's proposed amendments would help protect the public interest, and in particular, students? You had alluded to an area that you weren't able to cover previously.

Ms. Sharon O'Halloran: Yes. The area that I was alluding to was around the definition of "employer" in the document.

Mr. Granville Anderson: Okay. Would you like to elaborate on that?

Ms. Sharon O'Halloran: I appreciate that. Thank you. It's a concern around the broadening of the definition of "employer" in the bill. It used to refer to the education sector, so "employers" within the education sector. It now refers to "employer." If you know the nature of work of occasional teachers, as an example, occasional teachers especially now are struggling greatly to work full-time. They have multiple jobs. Some of them are on the list in many, many boards. But then they also have to take on part-time employment at places like Home Depot, Walmart, the local restaurant. If the definition of "employer" in the document allows any employer to forward a complaint against a teacher or about a teacher, that could open up teachers to having complaints forwarded by retail-type employers and other employers. That causes us great concern.

Mr. Granville Anderson: Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you. The next round to the official opposition: Mrs. Munro?

Mrs. Julia Munro: I'll start. Thank you very much. Something that we haven't had much discussion about is the victim in this process. I just wondered, when you provided us with this kind of detail, if there was in fact an area where you would say, "Here's a point where we could strengthen this piece of legislation vis-à-vis the child as a victim." Is that sure enough in your mind or is there more to do?

Ms. Sharon O'Halloran: I think the fact that these processes go on for as long as they do—you heard about one case going on up to four years—is not in the best interests of the victim either. Making sure that disclosure is out there early, that information pieces are not held back, also benefits the victims in these cases. We think that that whole process, ensuring that there's full dis-

closure, making sure the timelines are tight and that the information is shared with all parties at the same time, will also expedite the process and in the end benefit the victim, because it's not in anyone's interest to have this go on for a very prolonged period of time.

Mrs. Julia Munro: Thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Coe.

Mr. Lorne Coe: I want to go back to the points that you made, please, on early and full disclosure and the connection that you made with the rationale around that. To that point and the amendments that you have in here and in your discussions—I'm sure you've had these with the Ministry of Education staff and with the college—were you able to get a rationale?

Ms. Sharon O'Halloran: For why they don't provide full disclosure?

Mr. Lorne Coe: Yes.

Ms. Sharon O'Halloran: I would say no.

Mr. Lorne Coe: No?

Ms. Sharon O'Halloran: No.

Mr. Lorne Coe: Well, that's unfortunate.

Ms. Sharon O'Halloran: We have a very long list of examples where we can share, when they're working in consultation with police, when they have various witnesses throughout an investigation and they collect information after the complaint has been shared. So witnesses, police, other agency representatives—CAS, for example—are collecting this information in preparation for their hearing, and that information is not shared. In some cases, we haven't actually even been aware of the information until we read the decision.

Mr. Lorne Coe: I'd welcome receiving those examples, and I'm sure you'd share them with all members of the committee.

Ms. Sharon O'Halloran: Sure.

Mr. Lorne Coe: Thank you, Chair.

The Chair (Mr. Peter Z. Milczyn): Thank you very much, Ms. O'Halloran. Thank you for your written submission.

Ms. Sharon O'Halloran: Thank you.

The Chair (Mr. Peter Z. Milczyn): That's the end of our scheduled witnesses for this afternoon. I want to thank all of our witnesses. As per the order of the House dated October 20, 2016, the deadline for filing amendments to Bill 37 to the Clerk of the Committee is 12 p.m. on Monday, October 31.

Is there no other business? Then we stand adjourned until 9 a.m. on Thursday, November 3, when we will meet for the purpose of clause-by-clause consideration of Bill 37.

The committee adjourned at 1445.

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Thursday 3 November 2016

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Jeudi 3 novembre 2016

Standing Committee on Finance and Economic Affairs

Protecting Students Act, 2016

Comité permanent des finances et des affaires économiques

Loi de 2016 protégeant les élèves



Chair: Peter Z. Milczyn
Clerk: Eric Rennie

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Thursday 3 November 2016

Jeudi 3 novembre 2016

*The committee met at 0900 in room 151.***The Clerk of the Committee (Mr. Eric Rennie):**

Good morning, honourable members. In the absence of the Chair and the Vice-Chair this morning, it is my duty to call upon you to elect an Acting Chair for the time being. Are there any nominations for Acting Chair? MPP Martins.

Mrs. Cristina Martins: I nominate Ms. Vernile.**The Clerk of the Committee (Mr. Eric Rennie):** Ms. Vernile, do you accept the nomination?**Ms. Daiene Vernile:** Yes, I do.**The Clerk of the Committee (Mr. Eric Rennie):** Wonderful. Are there any further nominations? Seeing none, I declare the nominations closed and Ms. Vernile elected Acting Chair of the committee. Ms. Vernile, could you please come and take the chair? Thank you.

PROTECTING STUDENTS ACT, 2016

LOI DE 2016 PROTÉGEANT LES ÉLÈVES

Consideration of the following bill:

Bill 37, An Act to amend the Early Childhood Educators Act, 2007 and the Ontario College of Teachers Act, 1996 / Projet de loi 37, Loi modifiant la Loi de 2007 sur les éducatrices et les éducateurs de la petite enfance et la Loi de 1996 sur l'Ordre des enseignantes et des enseignants de l'Ontario.

The Acting Chair (Ms. Daiene Vernile): Good morning, everyone. I've just had a crash course on being Chair of this committee. I am pleased to be here with you.

As per the order of the House, dated October 20, 2016, we are assembled here for clause-by-clause consideration of Bill 37, An Act to amend the Early Childhood Educators Act, 2007 and the Ontario College of Teachers Act, 1996. The committee is authorized to sit today from 9 a.m. until 10:15 a.m., and from 2 p.m. until 6 p.m. Committee members will know that at 4 p.m. today we are required to interrupt the proceedings and shall, without further debate or amendment, put every question necessary to dispose of all remaining sections of Bill 37 and any amendment thereto. At that time, I will allow a 20-minute waiting period, if requested, pursuant to standing order 129(a). From that point forward, those amendments which have not yet been moved shall be deemed to have been moved and I will take the vote on them consecutively.

Catherine Oh from legislative counsel is here to assist us with our work, should we have any questions for her.

A copy of the numbered amendments filed before the deadline is on your desk. The amendments have been numbered in the order in which the sections appear in the bill.

Are there any questions before we start?

As you will notice, Bill 37 is comprised of three sections and two schedules. In order to deal with the bill in an orderly fashion, I'm going to suggest that we postpone the three sections in order to dispose of the schedules first. Is there unanimous consent to stand down the sections and deal with the schedules first?

Mr. Arthur Potts: Yes.**The Acting Chair (Ms. Daiene Vernile):** Thank you. In agreement? Okay.

Before we begin schedule 1, I will allow each party to make some brief comments, if they desire, on the bill as a whole. Afterwards, debate should be limited to the section or amendment under consideration. Any comments? Yes, MPP Coe.

Mr. Lorne Coe: Going through this process, and given the length of time that it's been since the LeSage report came forward with its 49 recommendations, our hope as a caucus would have been that more time would have been allocated for this committee to consider delegations from all the interested parties. But we know that we're here today because that's been compressed and we're on time allocation.

Going forward, what we had hoped to see in the amendments coming forward and which we consider today, Chair, is that there would be greater transparency in the investigation and disciplinary matters, a faster complaint resolution, and making the complaint process more accessible to the public, but also that there would be safeguards for teachers and early childhood educators who were falsely accused.

Going forward, I'll be reminding committee members that we've been compressed in our deliberations within this committee. We would have hoped for a greater amount of time to engage with the public, particularly the regulations that will be affected at a later point.

The Acting Chair (Ms. Daiene Vernile): Any further comments? All right.

We're now going to move on to schedule 1 of the act. Shall section 1 carry? All those in favour? Opposed? Carried.

All right, members, we now are going to move to schedule 1, section 1.1. This is a new government amendment. We look to a member of the government to move this amendment. Yes, MPP Martins.

0910

Mrs. Cristina Martins: I move that schedule 1 to the bill be amended by adding the following section:

"1.1 Subsections 19(4), (5) and (6) of the act are repealed and the following substituted:

"Panels

"(4) The Chair of a committee mentioned in paragraph 2, 3, 4 or 5 of subsection (1) may appoint panels in accordance with subsection (5) and authorize them to exercise the committee's powers and perform its duties.

"Same

"(5) Each panel appointed under subsection (4) shall be composed in accordance with the following rules:

"1. The panel shall be composed of at least three persons.

"2. A majority of the persons on the panel must be members of the committee.

"3. The panel must include at least one member of the committee who was elected to the council under clause 8(2)(a) and at least one member of the committee who was appointed to the council under clause 8(2)(b).

"4. A member of the panel who is not a member of the committee must be on a roster of eligible panellists for the committee established under subsection (5.1).

"Roster of eligible panellists

"(5.1) The council may establish a roster of eligible panellists for a committee mentioned in paragraph 2, 3, 4, or 5 of subsection (1), consisting of such persons as the council considers qualified to serve as members of a panel of the committee.

"Same

"(5.2) The Lieutenant Governor in Council may appoint such persons to a roster of panellists under subsection (5.1) as he or she considers appropriate.

"Same, requirements and restrictions

"(5.3) The inclusion of any person on a roster for a committee is subject to any requirements and restrictions that may be prescribed by the regulations or bylaws.

"Not member of committee

"(5.4) A person included on a roster for a committee is not a member of the committee by reason of his or her inclusion on the roster or his or her service on a panel of the committee.

"Decision of panel

"(6) A decision of a panel appointed under subsection (4) shall be deemed to be the decision of the committee whose Chair appointed the panel."

The Acting Chair (Ms. Daiene Vernile): Thank you, MPP Martins. I'm going to have to rule on the admissibility of this amendment as it proposes to amend a section to a parent act that is not before the committee. This motion is out of order.

Mr. Granville Anderson: Madam Chair?

The Acting Chair (Ms. Daiene Vernile): Yes, MPP Anderson?

Mr. Granville Anderson: I am seeking unanimous consent for the committee to be able to consider the amendment.

The Acting Chair (Ms. Daiene Vernile): Is there any discussion on this? Do we have unanimous consent? Thank you.

Any further discussion?

Mr. Granville Anderson: Yes, Madam Chair.

The Acting Chair (Ms. Daiene Vernile): MPP Anderson.

Mr. Granville Anderson: The proposed legislation would allow for a greater efficiency in the establishment of discipline committee panels of the College of Early Childhood Educators and therefore greater efficiency in the administration of discipline hearings. It is about giving the college of ECEs the capacity it needs. The Ontario College of Teachers already has this necessary provision.

The Acting Chair (Ms. Daiene Vernile): Any further discussion? Yes, MPP Coe?

Mr. Lorne Coe: Madam Chair, a question through you to the mover of the motion: On item 1 under section (5), "the panel shall be composed of at least three persons," can I, through you, obtain some clarity about the qualifications of those three persons? Is there a criteria?

The Acting Chair (Ms. Daiene Vernile): MPP Martins.

Mrs. Cristina Martins: I'm going to defer the response to the parliamentary assistant, MPP Anderson.

Mr. Granville Anderson: The intent of the bill is to support efficiency by increasing the roster of eligible panellists. The College of Early Childhood Educators would be better able to manage investigations of hearings. This amendment would provide further alignment with the Ontario College of Teachers Act.

The Acting Chair (Ms. Daiene Vernile): Are the members ready to vote? All those in favour? Opposed? Carried.

On schedule 1, section 2, is there any discussion? Shall schedule 1 of section 2 carry? Opposed? Carried.

All right, members, we are moving on to schedule 1, section 3. This is a government motion, subsection 3(0.1), subsection 27(1) of the Early Childhood Educators Act, 2007. Do we have a government member who can move that? Yes, MPP Martins.

Mrs. Cristina Martins: I move that section 3 of schedule 1 to the bill be amended by adding the following subsection:

"(0.1) Paragraph 3 of subsection 27(1) of the act is repealed."

The Acting Chair (Ms. Daiene Vernile): Is there any discussion, members? I do want to ask you: Shall the motion carry? Carried.

Members, shall schedule 1, section 3, as amended, carry? Carried.

Seeing as we do not have any amendments for sections 4 and 5 in schedule 1, shall we bundle them and vote on them? In agreement? Okay. Shall schedule 1,

section 4, carry and schedule 1, section 5, carry? All those in favour? Opposed? Carried.

Moving on to schedule 1, section 6, we have a government motion, subsection 6(1.1), clause 29(2)(d.1) of the Early Childhood Educators Act, 2007. May I have a person to move that? MPP Martins.

Mrs. Cristina Martins: I move that section 6 of schedule 1 to the bill be amended by adding the following subsection:

“(1.1) Clause 29(2)(d.1) of the act is amended by adding ‘subject to the regulations’ at the beginning.”

The Acting Chair (Ms. Daiene Vernile): Is there any discussion, members? Are the members ready to vote? Those in favour? Opposed? Carried.

It's been lovely working with you and I shall now go back to my regular duties.

The Chair (Mr. Peter Z. Milczyn): The next amendment is to schedule 1, section 6. Proposed amendment number 4 to subsections 6(2) and (3) of section 29 of the Early Childhood Educators Act, 2007: Ms. Martins.

Mrs. Cristina Martins: I move that subsections 6(2) and (3) of schedule 1 to the bill be struck out and the following substituted:

“(2) Subsections 29(2.1) and (2.2) of the act are repealed and the following substituted:

“Personal information

“(2.1) A committee referred to in clause (2)(d) shall not direct, and a bylaw referred to in clause (2)(e) shall not prescribe, that more personal information, within the meaning of section 38 of the Freedom of Information and Protection of Privacy Act and section 28 of the Municipal Freedom of Information and Protection of Privacy Act, or more personal health information, is to be included or kept in the register than is necessary to serve and protect the public interest.

0920

“Personal health information

“(2.1.1) The registrar shall not include in the register, disclose to an individual or publish on the college's website or in any other publication more personal health information about a member than is necessary to serve and protect the public interest.

“Same

“(2.1.2) In subsections (2.1) and (2.1.1),

““personal health information” means information that identifies an individual and that is referred to in clauses (a) through (g) of the definition of “personal health information” in subsection 4(1) of the Personal Health Information Protection Act, 2004.

“Removal of specified information

“(2.1) The registrar shall remove from the register, in a timely manner,

“(a) any terms, conditions or limitations imposed on a certificate of registration, as referred to in clause (2)(b), that are no longer applicable;

“(b) any restrictions imposed on a member's eligibility to practise, as referred to in clause (2)(b.1), that are no longer applicable; and

“(c) information respecting current or previous criminal proceedings referred to in clause (2)(d.1) that are no longer applicable or relevant to the member's membership, as provided by the regulations.”

The Chair (Mr. Peter Z. Milczyn): Discussion?

Mr. Arthur Potts: Just a clarification.

The Chair (Mr. Peter Z. Milczyn): Mr. Potts.

Mr. Arthur Potts: I think I heard the member read, in “Removal of specified information,” “(2.1),” but it's in fact “(2.2).” This is clarification for the Hansard.

Mrs. Cristina Martins: That is correct. Under “Removal of specified information,” I should have said, if I did not say it, “(2.2) The registrar shall remove from the register, in a timely manner” and so forth.

The Chair (Mr. Peter Z. Milczyn): Discussion? Ms. Gretzky.

Mrs. Lisa Gretzky: I think it's addressed in here, but just for clarification: What personal health information is included, and who defines that?

The Chair (Mr. Peter Z. Milczyn): Who would like to answer that? Mr. Anderson.

Mr. Granville Anderson: Who defines—can you rephrase the question?

Mrs. Lisa Gretzky: What personal health information is included, and who defines that?

Mr. Granville Anderson: Okay, “personal” means information identified by an individual that is referred to in clause (a) through (g) of the definition of “personal health information” in subsection 4(1) of the Personal Health Information Protection Act. Who would define it? The college would.

Mrs. Lisa Gretzky: The college would define which personal health information is accessible? The College of Teachers, you're saying, defines what personal information would be accessible to the public?

Mr. Granville Anderson: That would be defined by the act, wouldn't it? That would be defined by the act.

Mrs. Lisa Gretzky: It's your act, so you have to—it's not up to me to answer that.

Mr. Granville Anderson: That would be defined by the act.

Mrs. Lisa Gretzky: Sorry, Chair. For clarification, which act is it clarified by?

Mr. Granville Anderson: The Freedom of Information and Protection of Privacy Act.

Mrs. Lisa Gretzky: Okay, so it's under that act that defines what information is—

Mr. Granville Anderson: Yes, that is correct.

Mrs. Lisa Gretzky: —admissible, accessible and—okay.

Mr. Granville Anderson: As well as the Personal Health Information Protection Act, 2004.

Mrs. Lisa Gretzky: Okay, thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Coe?

Mr. Lorne Coe: Through you, Chair, to the mover: under “Personal information, (2.1),” it's the last part of the sentence that I need some clarification on: “is to be included or kept in the register than is necessary to serve and protect the public interest.”

I step back, and I think we all agree that we want to see greater transparency in the process, but it leaves undefined—and who is defining, protecting the public interest? What does that exactly mean? Is that speaking to transparency and openness, and whose decision is that?

Mr. Granville Anderson: That would be speaking to transparency. It's all about transparency, so that's speaking to our transparency.

Mr. Lorne Coe: Well, as I read this particular motion, it's silent. You've provided an explanation in part but it's silent otherwise.

Mrs. Cristina Martins: Mr. Coe, you're referring to 2.1?

Mr. Lorne Coe: Yes I am. Thank you, Mover.

Mrs. Cristina Martins: "A committee referred to in clause (2)(d) shall not direct, and a by-law referred to in clause (2)(e) shall not prescribe" etc. Is that the one you're referring to?

Mr. Lorne Coe: Yes, that's the one I'm referring to. It's the last part of that sentence—

Mrs. Cristina Martins: The last part, which states: "or more personal health information, is to be included or kept in the register than is necessary to serve and protect the public interest." Correct?

Mr. Lorne Coe: Yes, so the process of defining what is in the best interest of the public—

Mrs. Cristina Martins: Right. There are currently acts in place, as identified here—the Freedom of Information and Protection of Privacy Act; we also referred to the Personal Health Information Protection Act—that actually have definitions for personal health information and for what type of information needs to be identified. It's whatever is necessary, and it's there right now, that would ensure that there is protection in the public interest.

Mr. Lorne Coe: That legislative framework, as you stated, would be the test that would be used to define what's in the public interest. Is that what you're saying?

Mrs. Cristina Martins: That is my understanding.

Mr. Lorne Coe: All right.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Seeing none, then, shall motion number 4 carry? *Interjection.*

The Chair (Mr. Peter Z. Milczyn): Thank you, the mover from my right.

On motion number 4, all those in favour? Opposed? That carries.

Shall schedule 1, section 6, as amended, carry? Any discussion? No? All those in favour? Opposed? That is carried.

On to schedule 1, section 7, an amendment to subsection 7(3), subsection 31(5.1) of the Early Childhood Educators Act, 2007: Ms. Gretzky?

Mrs. Lisa Gretzky: I move that section 7 of schedule 1 to the bill, which amends section 31 of the Early Childhood Educators Act, 2007, be amended by adding the following subsection:

"(3) Section 31 of the act is amended by adding the following subsection:

"Same

"(5.1) The complaints committee shall not direct that a matter be referred, in whole or in part, to the discipline committee unless the complaints committee obtains an opinion from a person authorized under the Law Society Act to practise law in Ontario that there is a reasonable prospect of a finding of guilt of professional misconduct in respect of the matter which the complaints committee refers to the discipline committee."

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson.

Mr. Granville Anderson: I recommend voting against this motion because it goes against the purpose of the complaints committee, which is to screen complaints.

It also goes against the purpose of the discipline committee, which is to hear and determine matters directed or referred to it.

It also goes against establishing a fair and transparent process for members.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Seeing none, then, on amendment number 5, all those in favour? Opposed? That does not carry.

On schedule 1, section 7, is there any further discussion? Seeing none, shall schedule 1, section 7, carry? All those in favour? Opposed? That carries.

On schedule 1, sections 8 through 11, there are no amendments proposed. Is there agreement that we deal with those sections together? All right.

0930

On schedule 1, sections 8 through 11, inclusive, is there any discussion? No? All those in favour of schedule 1, sections 8 through 11, inclusive? Opposed? They carry.

On to schedule 1, section 12, an amendment to subsection 12(0.1), subsection 35(5.1) of the Early Childhood Educators Act, 2007: Ms. Gretzky.

Mrs. Lisa Gretzky: I move that section 12 of schedule 1 to the bill, which amends section 35 of the Early Childhood Educators Act, 2007, be amended by adding the following subsection:

"(0.1) Section 35 of the act is amended by adding the following subsection:

"Time of public notice of hearings

"(5.1) The public may be notified of a hearing only after,

"(a) the college has made a decision about whether to withdraw all or some of the allegations; and

"(b) a time has been set for a hearing to finally dispose of the matter."

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson.

Mr. Granville Anderson: I recommend voting against this motion because it's inconsistent with Justice LeSage's recommendation. The notice of hearing is available to the public and should contain enough information on the matter to be heard, in the interest of transparency.

The Chair (Mr. Peter Z. Milczyn): Further discussion?

Mrs. Lisa Gretzky: To the point of the parliamentary assistant: The point of this motion is to ensure that hearings are scheduled in a timely manner in order to move the process along, which would then support those making the allegations as well as those accused. The purpose of this is to make sure that hearings are only posted when a hearing is scheduled, and to make sure that those hearings are happening in a timely manner.

The Chair (Mr. Peter Z. Milczyn): Further discussion?

Mr. Granville Anderson: The OCT began to post outcomes of disciplinary proceedings on their website as of January 2012. In his report, LeSage was very clear: Recommendation 29 prescribes that “the notice of hearing must be posted on the college’s website when it is served on the member. The website must be updated with every scheduling change.”

The purpose of this recommendation is both transparency to the public and fairness to the member. This motion would restrict the public posting of a notice of hearing and limit the transparency of the disciplinary process.

The Chair (Mr. Peter Z. Milczyn): Further discussion? All right. On amendment number 6, all those in favour? Opposed? That does not carry.

Further amendment: subsection 12(0.2), subsection 35(5.2) of the Early Childhood Educators Act, 2007. Ms. Gretzky.

Mrs. Lisa Gretzky: I move that section 12 of schedule 1 to the bill, which amends section 35 of the Early Childhood Educators Act, 2007, be amended by adding the following subsection:

“(0.2) Section 35 of the act is amended by adding the following subsection:

“Content of public notice of hearings

“(5.2) Notice to the public of a hearing shall not contain information concerning the allegations except for the provisions of the regulations that define the alleged professional misconduct.”

The Chair (Mr. Peter Z. Milczyn): Discussion? No discussion? Ms. Martins.

Mrs. Cristina Martins: I recommend voting against this motion. I think that, a little bit like the motion previous, this is very inconsistent with Justice LeSage’s recommendation. The notice of hearing should be made available to the public and should contain enough information on the matter to be heard, in the interest of transparency.

Once again, want to ensure that there is transparency in place and that we are indeed protecting the public interest.

The Chair (Mr. Peter Z. Milczyn): Ms. Gretzky.

Mrs. Lisa Gretzky: Although we do want to make sure that there is transparency and fairness throughout the entire process, I will disagree with the member opposite when she claims that this is not in line with Justice LeSage’s recommendations.

In fact, if I may quote Justice LeSage, he said, “It must be remembered that, like a pleading, the notice of hearing must contain a concise statement of the material facts and allegations, but not the evidence. The evidence is to be presented in a public forum, where it will be heard and weighed by a trier of fact.”

The Chair (Mr. Peter Z. Milczyn): Mr. Anderson?

Mr. Granville Anderson: As recommended by Justice LeSage, the notice of hearing should be available to the public and should contain enough information, in the interests of both transparency to the public and fairness to the member. We believe that as it stands now, section 12 is inconsistent with Justice LeSage’s recommendation on striking the right balance between student safety and increased transparency and accountability, while increasing the efficiency of the process.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Seeing none, on the amendment, all those in favour? Opposed? The amendment does not carry.

Now, on schedule 1, section 12, is there any further discussion? Shall schedule 1, section 12 be carried? All those in favour? Opposed? That is carried.

There are no amendments proposed to schedule 1, sections 13 through 16 inclusive. Is there agreement that we deal with those sections together? Is there any discussion on those sections? No? Shall schedule 1, sections 13 through 16, inclusive, be carried? All those in favour? Opposed? Those sections are carried.

Schedule 1, section 17: There is an amendment to section 17, subsection 43(1) of the Early Childhood Educators Act, 2007. Ms. Martins?

Mrs. Cristina Martins: I move that section 17 of schedule 1 to the bill be struck out and the following substituted:

“17.(1) Paragraph 2.3 of subsection 43(1) of the act is repealed and the following substituted:

“2.3 governing conflict of interest with respect to members of the council and for members of committees and persons included on rosters for committees, including, but not limited to, prescribing conflict of interest rules or guidelines and setting out procedures for the purposes of determining whether the rules or guidelines have been broken;”

“(2) Subsection 43(1) of the act is amended by adding the following paragraphs:

“2.6 respecting the establishment of a roster under subsection 19(5.1), including regulations prescribing requirements and restrictions that apply for the purpose of including persons on the roster, including,

“i. prescribing qualifications of eligible panellists, and

“ii. requiring persons on a roster to take an oath and prescribing the form of the oath, the manner in which it shall be made and the time period within which it shall be made;

“2.7 governing, for the purposes of clauses 29(2)(d.1) and 29(2.2)(c), whether information respecting current or previous criminal proceedings involving a member

should be included on the register or removed from the register;

“8.5 governing requirements relating to members’ professional learning about their reporting duties under the Child and Family Services Act and governing how members’ compliance with such requirements is determined;”

The Chair (Mr. Peter Z. Milczyn): Any discussion?

Mr. Granville Anderson: I recommend voting in favour of this motion, Mr. Chair.

The Chair (Mr. Peter Z. Milczyn): Okay. Any further discussion? On amendment number 8, all those in favour? Opposed? The amendment carries.

So on schedule 1, section 17, as amended, is there any further discussion? No? Shall schedule 1, section 17, as amended, carry? All those in favour? Opposed? That carries.

On to schedule 1, section 18: There’s an amendment to subsection 44(1) of the Early Childhood Educators Act, 2007. Ms. Martins?

Mrs. Cristina Martins: I move that section 18 of schedule 1 to the bill be struck out and the following substituted:

“18.(1) Paragraph 12 of subsection 44(1) of the act is amended by striking out ‘for members of the council, for members of committees and’.

“(2) Subsection 44(1) of the act is amended by adding the following paragraph:

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“17.1 respecting the establishment of a roster of eligible panellists for a committee established under this act, and the selection, qualifications and training of eligible panellists;”

“(3) Paragraph 21.1 of subsection 44(1) of the act is repealed and the following substituted:

“21.1 subject to subsection 29(2.5), authorizing the removal from the register of information described in clauses 29(2)(b.2), (b.3), (b.4), (b.5) and (b.6) and of ... under subsection 30(3);”

“(4) Section 44 of the act is amended by adding the following subsection:

“Conflict

“(2.1) For greater certainty, in the event of a conflict between a bylaw made under paragraph 17.1 of subsection (1) and a regulation made under paragraph 2.6 of subsection 44(1), the regulation prevails.”

The Chair (Mr. Peter Z. Milczyn): Mrs. Martins, I think there’s some discrepancy between what you said and what’s in writing before us.

Mrs. Cristina Martins: Where was that, Chair?

The Chair (Mr. Peter Z. Milczyn): Under 21.1, the third line in there wasn’t read, and in the final paragraph of “Conflict,” I don’t recall which subsection number you misstated, but I think you stated a different number.

Mrs. Cristina Martins: Let me read, then:

“21.1 subject to subsection 29(2.5), authorizing the removal from the register of information described in clauses 29(2)(b.2), (b.3), (b.4), (b.5) and (b.6) and of ... under subsection 30(3);”

“(4) Section 44 of the act is amended by adding the following”—

The Chair (Mr. Peter Z. Milczyn): Mrs. Martins, what I have in writing in front of me—after that series of (b) points, it says “and of” and then it goes on: “information regarding.”

Mrs. Cristina Martins: Sorry, let me read that again. Should I read the whole paragraph or just that once sentence?

The Chair (Mr. Peter Z. Milczyn): Yes, please. Start—

Mrs. Cristina Martins: Okay, my apologies. Where do you want me to start?

The Chair (Mr. Peter Z. Milczyn): The Clerk advises to just start over with the entire amendment.

Mrs. Cristina Martins: You want the entire amendment? Sure.

I move that section 18 of schedule 1 to the bill be struck out and the following substituted:

“18(1) Paragraph 12 of subsection 44(1) of the act is amended by striking out ‘for members of the council, for members of committees and’.

“(2) Subsection 44(1) of the act is amended by adding the following paragraph:

“17.1 respecting the establishment of a roster of eligible panellists for a committee established under this act, and the selection, qualifications and training of eligible panellists;”

“(3) Paragraph 21.1 of subsection 44(1) of the act is repealed and the following substituted:

“21.1 subject to subsection 29(2.5), authorizing the removal from the register of information described in clauses 29(2)(b.2), (b.3), (b.4), (b.5) and (b.6) and of information regarding the removal of a suspension of a certificate of registration under subsection 30(3);”

“(4) Section 44 of the act is amended by adding the following subsection:

“Conflict

“(2.1) For greater certainty, in the event of a conflict between a bylaw made under paragraph 17.1 of subsection (1) and a regulation made under paragraph 2.6 of subsection 43(1), the regulation prevails.”

The Chair (Mr. Peter Z. Milczyn): Thank you.

Mrs. Cristina Martins: You’re welcome.

The Chair (Mr. Peter Z. Milczyn): Any discussion? Mr. Anderson.

Mr. Granville Anderson: I recommend voting in favour of this motion.

The Chair (Mr. Peter Z. Milczyn): Any further discussion? Seeing none, on the amendment, all those in favour? Opposed? The amendment carries.

On schedule 1, section 18, as amended, is there any further discussion? No? Shall schedule 1, section 18, as amended, carry? All in favour? Opposed? That carries.

On schedule 1, section 18.1, there is a new section, 18.1, subsection 45(1) of the Early Childhood Educators Act, 2007: Ms. Martins.

Mrs. Cristina Martins: I move that schedule 1 to the bill be amended by adding the following section:

“18.1 Subsection 45(1) of the act is amended by adding the following clause:

“(c.1) respecting the appointment of persons to a roster of eligible panellists under subsection 19(5.2), including but not limited to regulations prescribing requirements and restrictions that apply for that purpose, including,

“(i) prescribing qualifications of eligible panellists, and

“(ii) requiring persons on a roster to take an oath and prescribing the form of the oath, the manner in which it shall be made and the time period within which it shall be made;”

The Chair (Mr. Peter Z. Milczyn): Committee members, I will rule on the admissibility of this amendment. As it proposes to amend a section to a parent act that is not before the committee, this motion is out of order.

Mr. Anderson.

Mr. Granville Anderson: Chair, I am seeking unanimous consent for the committee to be able to consider the amendment.

The Chair (Mr. Peter Z. Milczyn): Is there unanimous consent? All right. There being unanimous consent, then the motion is in order.

Is there any discussion on amendment number 10? Mr. Anderson.

Mr. Granville Anderson: I recommend voting in favour of this motion because the intent of the bill is to support efficiency. By increasing the roster of eligible panellists, the College of Early Childhood Educators would be better able to manage investigations and hearings. This amendment would provide further alignment with the Ontario College of Teachers Act.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Seeing none, on the amendment, all those in favour? Opposed? That is carried.

There are no amendments proposed to schedule 1, sections 19 through 25 inclusive. Does the committee agree to deal with those sections together? All right.

Is there any discussion on schedule 1, sections 19 through 25, inclusive? Seeing none, shall schedule 1, sections 19 through 25, inclusive, carry? All those in favour? Opposed? Those sections are carried.

Mr. Arthur Potts: Chair?

The Chair (Mr. Peter Z. Milczyn): Mr. Potts.

Mr. Arthur Potts: A quick clarification from the Clerk: We carried a motion to schedule 1, section 18.1, but we didn't carry section 18.1, as amended. Do we need to?

The Clerk of the Committee (Mr. Eric Rennie): No. Just to clarify, there wasn't a section 18.1 beforehand, so here's nothing to amend. It was just the motion.

Mr. Arthur Potts: I've got you.

The Chair (Mr. Peter Z. Milczyn): I am following along, Mr. Potts.

On schedule 1, as amended, is there any discussion? No? Shall schedule 1, as amended, carry? All those in favour? Opposed? That carries.

Schedule 2, section 1: There is an amendment to subsection 1(2), subsection 1(8) of the Ontario College of Teachers Act, 1996. Mr. Coe?

Mr. Lorne Coe: I move subsection 1(2) of schedule 2 to the bill be amended by adding the following subsection to section 1 of the Ontario College of Teachers Act, 1996:

“Information for members

“(8) The college shall provide members with information about,

“(a) the definitions of ‘professional misconduct’, ‘prohibited act involving child pornography’, ‘sexual abuse’ and ‘sexual misconduct’ in subsection (1);

“(b) the duties of members to report suspected child abuse or neglect under the Child and Family Services Act;

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“(c) the investigation and disciplinary procedures under this act; and

“(d) any other matter as may be prescribed.”

The Chair (Mr. Peter Z. Milczyn): Any discussion? Mr. Anderson.

Mr. Granville Anderson: I recommend voting against this motion because providing information about professional matters such as duty to report, sexual abuse and sexual misconduct, on the investigation and discipline processes are inherent in the OCT's legislated duties to govern the profession and provide for the ongoing education of its members.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Mr. Coe.

Mr. Lorne Coe: I thank the parliamentary assistant for his comments, but if we step back as a committee and we reflect on the delegations that we heard, people who spoke and the organizations that spoke stressed the importance of greater transparency and openness. They also spoke about the need to bring clarity around the definitions in the act.

The view that we have is that this, through the additions that I've just read, will help bring greater clarity, transparency and openness to a process that, as the LeSage report indicated, needed vast improvements. That was, again, supported by the delegations that we heard for a full day about a week and a half ago.

The Chair (Mr. Peter Z. Milczyn): Mrs. Gretzky?

Mrs. Lisa Gretzky: I would ask for clarification on section (d) of the motion, “any other matter as may be prescribed.” I'm wondering if the mover is able to explain what would fall within those parameters.

The Chair (Mr. Peter Z. Milczyn): Mr. Coe.

Mr. Lorne Coe: I'm sorry; I was speaking to my colleague. I didn't hear the question.

The Chair (Mr. Peter Z. Milczyn): Mrs. Gretzky, can you repeat the question?

Mrs. Lisa Gretzky: I'll repeat it. No problem. I'm just asking for clarification on (d) of the motion, where it states “any other matter as may be prescribed.” I'm wondering if you can clarify what exactly would fall within that.

Mr. Lorne Coe: I think we heard from some of the delegations, particularly some of the associations, that there wasn't an all-inclusive list. They wanted more time to provide some additional input that would fall within this area as well.

The Chair (Mr. Peter Z. Milczyn): Mrs. Gretzky?

Mrs. Lisa Gretzky: Further to the motion, I would appreciate clarification on—just to be certain that what is being asked of this motion, which I think is fair and reasonable when you're expecting education workers to work within certain parameters and possibly be held accountable under this particular legislation, that it's clear to them what is expected of them and what is considered misconduct. I think it's important that they understand that. It is all about education, but I'm wondering if I could get clarification, just to make sure that the powers that are being given to and the expectations of the college are within their mandate, specifically to this particular motion.

The Chair (Mr. Peter Z. Milczyn): Mr. Coe.

Mr. Lorne Coe: Again, could you restate your question, please?

Mrs. Lisa Gretzky: It's just to seek clarification to make sure that through this motion, if it's supported, it's actually giving powers to and putting expectations on the college, and if that actually falls within their mandate. Are we giving them expectations that don't fall within their mandate?

Mr. Lorne Coe: We can get that clarification for the committee before the end of our session.

The Chair (Mr. Peter Z. Milczyn): Do you want to stand this down? Because we would normally vote on it.

Mr. Lorne Coe: Okay.

The Chair (Mr. Peter Z. Milczyn): All right. So we'll stand down amendment number 11 for now.

Mrs. Cristina Martins: I think we need to vote on this. The recommendation by the parliamentary assistant was actually to oppose this. I think, in line with what Mrs. Gretzky said, there's a little bit of concern on our side here anyhow with regard to the proposed language in the motion, "and any other matter as may be prescribed."

We feel just what you were alluding to, Mrs. Gretzky, if I may, that it's a definition that is very broad and that currently, under the Ontario College of Teachers Act, there is already a duty from the Ontario College of Teachers to govern its members and to provide for the ongoing education of its members. Providing this type of information is part of the administrative functions and duties of the Ontario College of Teachers, and an explicit clause, such as what is being prescribed here or being recommended, is really not required. At least, that's how we feel on this side.

I think that we should vote on this.

The Chair (Mr. Peter Z. Milczyn): Ms. Gretzky?

Mrs. Lisa Gretzky: I believe that the member opposite actually just answered my question by saying that it is within the mandate of the Ontario College of Teachers to provide this information and the expectations and exactly what the laws and the rules are, as far as misconduct or proper conduct.

I would certainly suggest, then, because they are the discipline body and it does fall within their mandate to provide and make clear the information, the expectations of education workers, that this is something we should be supporting. Because if they are setting out the expectations, if they're the ones enforcing the expectations, then, really, it should be their position to make sure that those expectations are clear to the members.

The Chair (Mr. Peter Z. Milczyn): Further discussion? I see there is a desire to proceed with the vote on this amendment. Shall amendment number 11 be carried? All those in favour?

Mr. Toby Barrett: Recorded vote, Chair.

The Chair (Mr. Peter Z. Milczyn): A recorded vote has been requested.

Ayes

Barrett, Coe, Gretzky.

Nays

Anderson, Martins, Potts, Rinaldi, Vernile.

The Chair (Mr. Peter Z. Milczyn): The amendment is lost.

Further amendment to subsection 1(2), subsection 1(9) of the Ontario College of Teachers Act, 1996: Mr. Coe.

Mr. Lorne Coe: I move that subsection 1(2) of schedule 2 to the bill be amended by adding the following subsection to section 1 of the Ontario College of Teachers Act, 1996:

"Policies re training of members

"(9) The college shall develop policies respecting the training of its members in recognizing and addressing signs of sexual abuse of a student, sexual misconduct or a prohibited act involving child pornography."

If I could speak to the amendment now, Chair, through you? Thank you. The amendment will ensure that policies for members around training and education are in place. It would allow for greater clarity and transparency about the expectations—and I stress the expectations—of college members. At the present time, when you look at the mandate as is stated in terms around this area, it's silent in this respect.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Mr. Anderson.

Mr. Granville Anderson: Chair, I recommend voting against this motion. Such training goes beyond the mandate of the OCT as a professional regulator.

The Chair (Mr. Peter Z. Milczyn): Ms. Gretzky?

Mrs. Lisa Gretzky: I was going to point out that, absolutely, training is necessary. If we have education workers who are expected to work in a particular manner, they need to be clear on what their expectations are, absolutely, and we need to make sure that everybody understands what misconduct would be.

But I also have concerns around who should actually be delivering that training. Is this motion assigning duties

and responsibilities outside the mandate of the college? And is it not standard for school boards and the professional bodies that represent education workers to provide professional development and training around these issues? That's my concern. Maybe the member who moved it can address that. Although it's important to have them trained, is this outside the mandate of the Ontario College of Teachers?

The Chair (Mr. Peter Z. Milczyn): Mr. Coe?

Interjection.

The Chair (Mr. Peter Z. Milczyn): Just a moment. Mr. Coe has the floor. Mr. Coe?

Mrs. Lisa Gretzky: I asked the question of the mover.

Mr. Lorne Coe: Our understanding is that it's not outside the mandate. It would enhance.

The Chair (Mr. Peter Z. Milczyn): Ms. Martins.

Mrs. Cristina Martins: That's correct. Such training actually goes beyond the mandate of the Ontario College of Teachers as a professional regulator, and that type of training is actually provided at the board level. That's why we have social workers, psychotherapists and police officers, so that some of this sexual misconduct can be, first of all, recognized, and addressed.

Really, the intent of this motion is not in line with LeSage's recommendation, so that's why there is a desire to oppose this particular motion.

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The Chair (Mr. Peter Z. Milczyn): Further discussion? Ms. Gretzky.

Mrs. Lisa Gretzky: I would just add that, again, we need to be certain that making amendments—that this particular bill is actually addressing the duties and the mandates of the individuals or the organizations. I do have a concern that this would be assigning duties to the College of Teachers that are, indeed, outside of their scope.

The Chair (Mr. Peter Z. Milczyn): Further discussion?

Mr. Lorne Coe: A recorded vote, please, on the motion.

The Chair (Mr. Peter Z. Milczyn): All right. Seeing no further discussion, we'll move on to the vote.

Ayes

Barrett, Coe.

Nays

Anderson, Gretzky, Martins, Potts, Rinaldi, Vernile.

The Chair (Mr. Peter Z. Milczyn): The amendment is lost.

A further amendment to schedule 2, section 1, subsection 1(2), subsection 1(10) of the Ontario College of Teachers Act, 1996: Mr. Barrett.

Mr. Toby Barrett: I move subsection 1(2) of schedule 2 to the bill be amended by adding the following

subsection to section 1 of the Ontario College of Teachers Act, 1996:

"Information, resources to be made available

"(10) The college shall ensure that information about the investigation and disciplinary processes are made available to students who are allegedly sexually abused or the subject of sexual misconduct or of a prohibited act involving child pornography, and that information about resources and supports are made available to those students and their families."

The Chair (Mr. Peter Z. Milczyn): Further discussion? Mr. Anderson.

Mr. Granville Anderson: I recommend voting against this motion. It is not the role of a neutral regulatory body to provide information about support and resources to students and their families.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Mr. Barrett.

Mr. Toby Barrett: Very simply, the amendment was designed to ensure that the victim also has a right to know about and be informed about the process and what the next steps are.

Mrs. Cristina Martins: If I may?

The Chair (Mr. Peter Z. Milczyn): Just a moment—you're finished, Mr. Barrett?

Mr. Toby Barrett: Well, I might add, further to that, that during debate, we heard so much about professionals in the system being falsely accused. I assume that's being covered by regulation. Perhaps this is being covered by regulation, but as a former teacher, I just think it's incumbent on everyone within the system to know what we're talking about, to know what the definitions are—and I know that was voted down—and just to be informed about what's going on, what the process is and what the rights are of all concerned, whether it's someone being accused or someone who has laid a complaint.

The Chair (Mr. Peter Z. Milczyn): Ms. Martins.

Mrs. Cristina Martins: Thank you, Mr. Barrett. I agree with you in that yes, it's important that everyone is well informed, that people are aware of their rights and that they are knowledgeable as to whom they need to voice their concerns to, and the regulatory body or agency is going to provide that type of support. It's very important that we do protect people and that they know their rights.

However, I'm not sure that it is incumbent upon the Ontario College of Teachers, as a neutral regulatory body, to provide this type of information. This type of information, these resources and supports to students—really, it's the role of children's aid, social workers, support groups and other like-minded organizations that exist. What is being proposed here, just like the previous motion, goes beyond the mandate of the Ontario College of Teachers as a professional regulator.

What this bill does allow is for the Ontario College of Teachers to disclose information about members to the police and other regulators, respecting the college's mandate while still protecting our children. That's our position on this particular motion.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Seeing none, then, on the amendment—

Mr. Toby Barrett: Recorded vote.

The Chair (Mr. Peter Z. Milczyn): A recorded vote has been requested by Mr. Barrett.

Ayes

Barrett, Coe.

Nays

Anderson, Martins, Potts, Rinaldi, Vernile.

The Chair (Mr. Peter Z. Milczyn): The amendment is lost.

On schedule 2, section 1, is there any further discussion? No? Shall schedule 2, section 1 be carried? All those in favour? Opposed? That is carried.

There are no amendments proposed to schedule 2, section 2. Is there any discussion? Shall schedule 2, section 2 be carried? All those in favour? Opposed? That is carried.

Schedule 2, section 3, an amendment to section 3, subsection 17(2.3) of the Ontario College of Teachers Act, 1996: Mr. Barrett?

Mr. Toby Barrett: I move that section 3 of schedule 2 to the bill be amended by adding the following subsection to section 17 of the Ontario College of Teachers Act, 1996:

“Same, re sexual abuse, etc.

“(2.3) The powers and duties of a committee mentioned in paragraph 2 or 3 of subsection 15(1) to hear or review a matter relating to an act of professional misconduct that involved sexual abuse of a student, sexual misconduct or a prohibited act involving child pornography, may be exercised by a panel that satisfies the following rules:

“1. The panel must satisfy the rules set out in subsection (2).

“2. The panel must include at least one person who is a psychiatrist, a psychologist, a registered social worker or social service worker, an employee of a children’s aid society or a lawyer.”

The Chair (Mr. Peter Z. Milczyn): Further discussion? Mr. Anderson.

Mr. Granville Anderson: I recommend voting against this motion. The OCT already has the ability to draw on the knowledge of such professionals as expert witnesses for cases as appropriate. It would not be feasible to have one of these professionals be part of the panel for the investigation committee, discipline committee, fitness to practise committee and registration appeals committee. And, I might add, Mr. Chair, this would result in a significant shift in the make-up of the college as it now stands.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Mr. Barrett.

Mr. Toby Barrett: It’s not necessarily the make-up of the college. I understand this addresses the make-up of a committee that would be hearing a hearing, to have some experts on this committee. For example, we know the bill is being amended to require a hearing if an offender wishes to be reinstated to work with children. I don’t think it’s necessarily changing the make-up of the college of teachers, but if there was a committee set up for hearings, I would consider it an expert panel. All we’re asking for is at least one expert on that panel who would hear deponents’ arguments for and against whether someone should be reinstated in an early childhood learning centre, in an elementary school or in a secondary school.

The Chair (Mr. Peter Z. Milczyn): Mr. Anderson?

Mr. Granville Anderson: I believe this would actually hamper and slow down the disciplinary process by forcing OCT to include such individuals on its roster of have eligible panellists and to rely on their availability to sit at disciplinary hearings.

The Chair (Mr. Peter Z. Milczyn): Mr. Coe?

Mr. Lorne Coe: Chair, the discussion is an interesting one, because we heard from delegates, and most of the members on the opposite side were here. The delegations were very passionate and compelling about the addition of what we’re recommending here. I know you all listened very intently, and I didn’t hear any disagreement at that time with the delegations.

So what’s clear is what we’re asking for is an enhancement—not an enhancement, but we’re asking, in terms of the disciplinary panels, that qualified professionals be placed on these. It speaks to the complexity of some of the issues that we’re well familiar with, and that we heard from the delegations as well. This is an added value. This is really going to speak to some of the challenges that we heard during the delegations and, again, there were not any disagreements in what we were hearing, Chair.

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The Chair (Mr. Peter Z. Milczyn): Ms. Gretzky.

Mrs. Lisa Gretzky: I don’t think anybody here wants to see a victim come forward and have to wait an extended period of time in order to have their case heard and dealt with. I don’t think we want to see, as we have in the past, accused members waiting four years for a hearing and to have their opportunity to defend themselves.

I have great concern that, although we want support for victims—it’s incredibly important that they do have the professional support that they will need—by putting this amendment in, what it will do is actually slow down the process for not only the accused but for the victim, and having to relive what it is that they have brought an allegation over for an extended period of time and the anxiety that brings, while the college tries to assemble a panel that is comprised of one of the professionals listed here.

So I have great concern that out of fairness to due process, specifically to the victims but also to the accused, this is actually going to slow down the process, when

what we should be doing is allowing due process and making sure that any accusations are dealt with in a timely manner out of fairness to all parties.

The Chair (Mr. Peter Z. Milczyn): Ms. Martins.

Mrs. Cristina Martins: If I just may add to what Ms. Gretzky said, the Ontario College of Teachers currently has the ability to draw on the knowledge of such professionals, so we would not have to wait. As was suggested by Ms. Gretzky and what is suggested by the motion being put forward, we would have to wait and delay, if you will, the process moving forward until such time that the panel was made up of one of these professionals. The college already has the ability to draw on the expertise, on the knowledge of any one of these people listed here, these professionals listed here, to be expert witnesses for cases.

I think what we are trying to do here, with this particular piece of legislation, is to make it more efficient in order to better help and protect students and teachers. This would only be delaying that and opening up that wound once again many years down the line, because there would be delays if we are going to wait for this to happen. That's why we have proposed to oppose this particular motion.

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett?

Mr. Toby Barrett: I really haven't seen any evidence about how having a psychiatrist, for example, sitting on the panel delays the process. Again, we just advocate that it's important to have necessary experts on either sexual abuse or child pornography on these kinds of panels, just given the seriousness of these kinds of charges, and again, to make sure that we get it right for all concerned, whether it be for the person, the student or the family that have alleged misconduct, or for the early childhood educator or the teacher who may, perhaps, be falsely accused.

I'm not sure where the evidence is on how many extra days it would take. I know during debate there was discussion about the famous McMartin trial. That was based on accusations that were made in 1983 and it took them until 1990 to wrap that up. That was the longest and most expensive criminal trial in US history at the time. Hopefully we don't make those kinds of mistakes again. But I just don't buy the argument that by having a psychiatrist or a psychiatric social worker or someone like that sitting on this panel—I'm not sure how that delays things. If anything, it may well speed things up to bring in an expert witness.

Basically, what we're saying is, sure, we can leave it the way it is. It's voluntary. We could have left the old bill the way it was, where there was no hearing required. It was voluntary. We're asking for it to be mandatory through legislation.

The Chair (Mr. Peter Z. Milczyn): Any further discussion? Mr. Anderson.

Mr. Granville Anderson: Mr. Chair, can we have a vote on this, please?

The Chair (Mr. Peter Z. Milczyn): If there's no further discussion, yes.

Mr. Lorne Coe: Recorded vote.

The Chair (Mr. Peter Z. Milczyn): A recorded vote has been requested by Mr. Coe.

Ayes

Barrett, Coe.

Nays

Anderson, Gretzky, Martins, Potts, Rinaldi, Vernile.

The Chair (Mr. Peter Z. Milczyn): The amendment is lost.

On schedule 2, section 3, is there any further discussion? Shall schedule 2, section 3, be carried? All those in favour? Opposed? That is carried.

It being 10:15, we will recess until 2 p.m. this afternoon.

The committee recessed from 1015 to 1400.

The Chair (Mr. Peter Z. Milczyn): Good afternoon. As per the order of the House dated October 20, 2016, we are assembled here for clause-by-clause consideration of Bill 37, An Act to amend the Early Childhood Educators Act, 2007 and the Ontario College of Teachers Act, 1996. The committee is authorized to sit this afternoon until 6 p.m. Committee members will know that at 4 p.m. today, I am required to interrupt the proceedings and shall, without further debate or amendment, put every question necessary to dispose of all remaining sections of Bill 37 and any amendment thereto. At that time, I will allow a 20-minute waiting period, if requested, pursuant to standing order 129(a). From that point forward, those amendments which have not yet been moved shall be deemed to have been moved and I will take the votes on them consecutively.

Catherine Oh from legislative counsel is here to assist us with our work, should we have any questions for her.

Are there any questions before we resume our consideration? Seeing none, we left off voting on schedule 2, section 3. The next portion is schedule 2, section 4, an amendment to subsection 4(1), subsection 23(2) of the Ontario College of Teachers Act, 1996, which is amendment number 15: Ms. Gretzky.

Mrs. Lisa Gretzky: Chair, I'd like to withdraw the amendment.

The Chair (Mr. Peter Z. Milczyn): Is there agreement to withdraw the amendment? All right.

The next amendment is also to schedule 2, subsection 4(1.1), subsection 23(2) of the Ontario College of Teachers Act, 1996, which is amendment number 16: Ms. Gretzky.

Mrs. Lisa Gretzky: I move that section 4 of schedule 2 to the bill, which amends section 23 of the Ontario College of Teachers Act, 1996, be amended by adding the following subsection:

“(1.1) Subsection 23(2) of the act is amended by adding ‘only the following information’ at the end of the portion before clause (a).”

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson.

Mr. Granville Anderson: I recommend voting against this motion. The section already prescribes what information can be posted in the public registry. This suggested amendment is somewhat redundant.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Then we'll proceed to the vote. All those in favour of the amendment? Those opposed? The amendment is lost.

The next amendment, again to schedule 2, subsection 4(3), clause 23(2)(b.1) of the Ontario College of Teachers Act, 1996, amendment number 17: Ms. Gretzky.

Mrs. Lisa Gretzky: I move that clause 23(2)(b.1) of the Ontario College of Teachers Act, 1996, as set out in subsection 4(3) of schedule 2 to the bill, be struck out and the following substituted:

"(b.1) a summary of any existing restriction on a member's right to teach that has been imposed by a court or other lawful authority, including the name of the court or other lawful authority that imposed the restriction, and the date the restriction was imposed;"

The Chair (Mr. Peter Z. Milczyn): Is there any discussion? Mr. Anderson.

Mr. Granville Anderson: Again, Mr. Chair, I recommend voting against this motion. The use of the word "summary" suggests that the information could be limited.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Mrs. Gretzky.

Mrs. Lisa Gretzky: This amendment would make the Ontario College of Teachers Act consistent with other professional colleges, like the Ontario dental college:

"The following additional information shall be kept in the register in respect of each member of the college:

"... A summary of any existing restriction on the member's right to practise that has been imposed by a court or other lawful authority, if the college is aware of the restriction, including the name of the court or other lawful authority that imposed the restriction and the date the restriction was imposed."

As I pointed out, this would make the Ontario College of Teachers Act consistent with other professional colleges, like the Ontario dental college.

The Chair (Mr. Peter Z. Milczyn): Mr. Anderson.

Mr. Granville Anderson: Again, Mr. Chair, the term, "member's right to teach," is awkward and might be misinterpreted. It's better to use the term "eligibility to teach," which is used in the bill. Also, this runs counter to the LeSage report theme of transparency.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Seeing none, we'll proceed to vote. All those in favour of the amendment? Those opposed? The amendment is lost.

Next amendment: Again to schedule 2, section 4, subsection 4(3), clause 23(2)(b.1) of the Ontario College of Teachers Act. This is amendment number 18. Mrs. Gretzky.

Mrs. Lisa Gretzky: I'd like to withdraw the amendment.

The Chair (Mr. Peter Z. Milczyn): Okay. Mrs. Gretzky will not be introducing that amendment.

The next amendment: Again to schedule 2, section 4, subsection 4(3), clause 23(2)(d.1) of the Ontario College of Teachers Act, 1996, amendment number 19. Mrs. Martins.

Mrs. Cristina Martins: I move that clause 23(2)(d.1) of the Ontario College of Teachers Act, 1996, as set out in subsection 4(3) of schedule 2 to the bill, be struck out and the following substituted:

"(d.1) subject to the regulations, information respecting any current or previous criminal proceedings involving a member that are relevant to his or her membership, including any undertakings of the matter in relation to the proceeding;"

The Chair (Mr. Peter Z. Milczyn): Mr. Anderson?

Mr. Granville Anderson: I recommend voting for this motion, Mr. Chair.

The Chair (Mr. Peter Z. Milczyn): Mr. Potts?

Mr. Arthur Potts: I just noted that it was read in as "of the matter in relation." It should be "of the member in relation." I would just correct the record on that.

The Chair (Mr. Peter Z. Milczyn): All right.

Mrs. Cristina Martins: I can read it again.

"(d.1) subject to the regulations, information respecting any current or previous criminal proceedings involving a member that are relevant to his or her membership, including any undertakings of the member in relation to the proceeding;"

The Chair (Mr. Peter Z. Milczyn): Thank you. Further discussion? Mrs. Gretzky.

Mrs. Lisa Gretzky: I would just like some clarity around the publication of information in this bill, so what would be included in the publication.

Mrs. Cristina Martins: Sorry, could you—

Mrs. Lisa Gretzky: I'd just like clarity on publication of criminal information in the bill. What is it that this is proposing would be published?

Interjections.

Mrs. Lisa Gretzky: I'm asking anybody on the government side. It's your proposed legislation. I'm just asking what is it you're proposing that would then be allowed to be published?

The Chair (Mr. Peter Z. Milczyn): Mrs. Martins.

Mrs. Cristina Martins: The proposed motion would ensure that the posting of current or previous criminal proceedings, including undertakings such as bail or charges, involving a member that are relevant to their membership is to be subject to regulation. This will be consistent with LeSage's theme of transparency and protection of the public.

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The Chair (Mr. Peter Z. Milczyn): Ms. Gretzky?

Mrs. Lisa Gretzky: Just again, for more clarification: Is this directly related to misconduct as a teacher, whether that's past or present? Or is this relating to other criminal charges? Is it just specific to within the educa-

tion system or would this relate to outside of the education system, when it comes to previous—

The Chair (Mr. Peter Z. Milczyn): Mr. Potts?

Mr. Arthur Potts: It's very clear in the motion: "relation to the proceeding," so it has to be a proceeding with a teacher. This information then would have to be posted as part of the proceeding. So it's just part of a review in a proceeding in which action is being taken. It becomes relevant information for the purposes of the proceeding.

Mrs. Cristina Martins: And it's relevant to their membership. I guess what we've heard are concerns of certain groups that have come in that the term "relevant" may be interpreted by the college in an overly broad manner, so we're proposing the motion that I just read to allow for clarification, if necessary, through a regulation that we will work with our partners to develop.

The Chair (Mr. Peter Z. Milczyn): Ms. Gretzky?

Mrs. Lisa Gretzky: I know the member opposite thinks it's clear. It's not clear, or I wouldn't have questions. Who then decides what is relevant? And is this giving the college of teachers the ability to set regulations to decide what is relevant to current allegations against a teacher? Who is deciding what is relevant to the current proceeding? Who is deciding what previous charges get brought into a current hearing? Who is setting the regulation and can that regulation change at any time, or is this set in stone?

Mrs. Cristina Martins: It will be subject to regulation, and that regulation will be developed in conjunction with the partners. That's how I understand this motion to work. Is that clear?

Mrs. Lisa Gretzky: So at some point, at a later date, somebody—I'm assuming from the college of teachers; I'm not clear—would then come up with a regulation that would define what past criminal proceedings would make it into a current hearing?

Mrs. Cristina Martins: That's right. So it's our regulation that will set the parameters that the college will need to follow to determine what type of information needs to be posted.

Mr. Arthur Potts: Okay?

The Chair (Mr. Peter Z. Milczyn): Ms. Gretzky?

Mrs. Lisa Gretzky: Are regulations set solely by the government? So there is no assurance that those regulations would actually work for the stakeholders that we're talking about? I'm talking about the education sector as a whole. The government has the ability to set the regulations without actually speaking to those from the education sector—I'm not just talking about education workers. I'm talking about school boards as well—to make sure that the regulation that is being brought forward would actually work as far as governance of a school board.

Mrs. Cristina Martins: The regulation that will be set forth by the government would be a regulation that would be worked on with our partners to ensure that there is transparency and protection to the public.

Mrs. Lisa Gretzky: Is there any guarantee in the bill, anything set in stone in the bill or through this amend-

ment, that would guarantee that regulations would be set along with school boards, that they wouldn't just be consulted, that their recommendations and their views would be included in any regulation?

The Chair (Mr. Peter Z. Milczyn): Mr. Anderson?

Mr. Granville Anderson: Well, the school board would be a stakeholder. It will be regulations set by the government, not by the college—they wouldn't be governed by the college. They would follow the regulations and the school board would be consulted as part of the process.

Mrs. Lisa Gretzky: But there is nothing in the amendment or in the bill that would say that the boards would absolutely have a say. It would then be left to the government to honour the commitment to speak to the boards. There's nothing set in stone that would include the school board's voice in this.

Mr. Granville Anderson: The school board would be a stakeholder, so they would have that ability to do that.

Mrs. Lisa Gretzky: Right, but there's nothing in the legislation or the amendment that states that they have to be, that it's mandated.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker?

Mr. Yvan Baker: I'm just going to add that I don't think it's convention that every stakeholder who is going to be consulted is stipulated in amendments to a bill, or in a bill. It's just not convention. I think the government has proven, through its past work, that when it consults with a sector, it consults broadly, and a number of parties would be included, including school boards that would have the opportunity to weigh in on that.

The other thing I'll say is that the regulation would be developed by the government, but would also have to be approved by the college.

I think we have probably answered your question.

Mrs. Lisa Gretzky: Okay. To that, though, boards also play a role in disciplining education workers when it comes to misconduct. So I would hope that you would understand that I have concern that it's left open-ended. The government, who can unilaterally set regulations, is saying that you would consult boards, rather than it being set in stone that boards would have to be involved in drafting regulation that directly affects a role that they are also involved in. But I appreciate the answers.

The Chair (Mr. Peter Z. Milczyn): Okay. Further discussion? No? Then on the amendment, all those in favour? Opposed? The amendment is carried.

The next amendment to schedule 2, section 4, subsection 4(3), clause 23(2)(d.1) of the Ontario College of Teachers Act, 1996, amendment number 20. Mrs. Gretzky?

Mrs. Lisa Gretzky: I would like to withdraw the motion.

The Chair (Mr. Peter Z. Milczyn): Mrs. Gretzky will not be introducing that amendment.

The next amendment is, again, schedule 2, section 4, subsection 4(4.1), subsection 23(2.0.1) and (2.0.2) of the Ontario College of Teachers Act, 1996, amendment number 21. Mrs. Gretzky?

Mrs. Lisa Gretzky: I move that section 4 of schedule 2 to the bill, which amends section 23 of the Ontario College of Teachers Act, 1996, be amended by adding the following subsections:

“(4.1) Section 23 of the act is amended by adding the following subsections:

“Prohibited content

“(2.0.1) The register shall ... contain,

“(a) information respecting any current or previous criminal proceedings involving a member that is not relevant to his or her membership; or

“(b) information arising out of a member’s criminal conviction for which the member has been granted,

“(i) a freedom pardon,”

“(ii) a conditional pardon that has not been revoked, or

“(iii) a record suspension that has not been revoked and has not ceased to have effect.

“Removal of prohibited content

“(2.0.2) The registrar shall remove the information described in clause (2.0.1)(b) from the register as soon as reasonably possible.”

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Potts?

Mr. Arthur Potts: I’ll just note, as I’m reading the motion that was put in front of us, that I think the member neglected to use the word “not” in 2.0.1 and added “-dom” to the word “free” in subsection (b)(i). Maybe you want to reread the submission?

Mrs. Lisa Gretzky: Did you want me to read the whole—

The Chair (Mr. Peter Z. Milczyn): I couldn’t really follow that, so maybe it’d be easier if you just reread it.

Mrs. Lisa Gretzky: Absolutely. I move that section 4 of schedule 2 to the bill, which amends section 23 of the Ontario College of Teachers Act, 1996, be amended by adding the following subsections:

“(4.1) Section 23 of the act is amended by adding the following subsections:

“Prohibited content

(2.0.1) The registrar shall not contain,

“(a) information—

The Chair (Mr. Peter Z. Milczyn): I’ll stop you there. You said “registrar.”

Mrs. Lisa Gretzky: Sorry.

“(2.0.1) The register shall not contain,

“(a) information respecting any current or previous criminal proceedings involving a member that is not relevant to his or her membership; or

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“(b) information arising out of a member’s criminal conviction for which the member has been granted,

“(i) a free pardon,

“(ii) a conditional pardon that has not been revoked, or

“(iii) a record suspension that has not been revoked and has not ceased to have effect.

“Removal of prohibited content

“(2.0.2) The registrar shall remove the information described in clause (2.0.1)(b) from the register as soon as reasonably possible.”

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson.

Mr. Granville Anderson: I propose that we oppose this motion. The proposed motion would specify content that is prohibited from the public register. Further to that, clarification of the information that should be included or excluded from the public register is more appropriate for a regulation. Government motion 19 addresses this issue.

The Chair (Mr. Peter Z. Milczyn): Further discussion? On the amendment, all those in favour? Those opposed? The amendment is lost.

Just a housekeeping note for you: The next three amendments, 23, 24 and 22, will be dealt with in that order because number 22 was misnumbered originally. So we’re dealing with 23 first, then 24 and then we’ll do number 22.

The next one then, subsection 4(5), clause 23(2.3)(b) of the Ontario College of Teachers Act, 1996, amendment number 23: Mrs. Gretzky.

Mrs. Lisa Gretzky: I’d like to withdraw the amendment.

The Chair (Mr. Peter Z. Milczyn): Mrs. Gretzky is not introducing that amendment.

Next amendment is subsection 4(5), clause 23(2.3)(c) of the Ontario College of Teachers Act, 1996, amendment number 24: Mrs. Gretzky.

Mrs. Lisa Gretzky: I’d like to withdraw that amendment.

The Chair (Mr. Peter Z. Milczyn): Next amendment, subsection 4(5), section 23 of the Ontario College of Teachers Act, 1996, amendment number 22: Mrs. Martins.

Mrs. Cristina Martins: I move that subsections 23(2.2) and (2.3) of the Ontario College of Teachers Act, 1996, as set out in subsection 4(5) of schedule 2 to the bill, be struck out and the following substituted:

“Personal information

“(2.2) A committee referred to in clause (2)(d) shall not direct, and a by-law referred to in clause (2)(e) shall not prescribe, that more personal information, within the meaning of section 38 of the Freedom of Information and Protection of Privacy Act and section 28 of the Municipal Freedom of Information and Protection of Privacy Act, or more personal health information, is to be included or kept in the register than is necessary to serve and protect the public interest.

“Personal health information

“(2.2.1) The registrar shall not include in the register, disclose to an individual or publish on the college’s website or in any other publication more personal health information about a member than is necessary to serve and protect the public interest.

“Same

“(2.2.2) In subsections (2.2) and (2.2.1),

“‘personal health information’ means information that identifies an individual and that is referred to in clauses

(a) through (g) of the definition of ‘personal health information’ in subsection 4(1) of the Personal Health Information Protection Act, 2004.

“Removal of specified information

“(2.3) The registrar shall remove from the register, in a timely manner,

“(a) any terms, conditions or limitations imposed on a certificate of qualification and registration, as referred to in clause (2)(b), that are no longer applicable;

“(b) any restrictions imposed on a member’s eligibility to teach, as referred to in clause (2)(b.1), that are no longer applicable; and

“(c) information respecting current or previous criminal proceedings referred to in clause (2)(d.1) that are no longer applicable or relevant to the member’s membership, as provided by the regulations.”

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson.

Mr. Granville Anderson: Mr. Chair, I recommend voting in favour of this motion.

The Chair (Mr. Peter Z. Milczyn): Mr. Coe?

Mr. Lorne Coe: Chair, through you: When we had the Ontario College of Teachers before us, they made a couple of points. They talked about, as they should have, public access to information being critical to their mandate, and transparency and accountability. They also talked about the importance of retaining the information about current and previous criminal proceedings from their public register and the effect that they felt that would have. Through you, to the government: They were here listening to that delegation, and it’s not reflected—in fact, a contrary view is taken in this particular amendment.

I’m sure you would have received a letter that was addressed—I received a letter on November 2. On the second page, it talks about what I’ve just raised.

The Chair (Mr. Peter Z. Milczyn): Mr. Anderson.

Mr. Granville Anderson: Mr. Chair, I disagree. The proposed motion will ensure that the public register does not contain more personal information, including personal health information, than is necessary to protect the public interest.

Mrs. Cristina Martins: If I—

The Chair (Mr. Peter Z. Milczyn): Ms. Martins.

Mrs. Cristina Martins: Mr. Chair, sorry, and if I can add that this is an amendment that was actually requested by the college and respects teachers’ rights to have their privacy respected while at the same time protecting public interest. So this was something that was actually requested by the college.

Mr. Lorne Coe: Well, Chair, not to enter into cross-debate and to take more time in committee, I can only relate what is in front of me here in writing.

The Chair (Mr. Peter Z. Milczyn): Further debate? Seeing none, then on the amendment, all those in favour? Opposed? The amendment is carried.

The next amendment is to subsection 4(5), subsection 23(2.4) of the Ontario College of Teachers Act, 1996, amendment number 25: Ms. Gretzky.

Mrs. Lisa Gretzky: I’d like to withdraw the amendment.

The Chair (Mr. Peter Z. Milczyn): Okay. Ms. Gretzky will not be introducing that amendment. There are no further amendments to this section.

Mr. Arthur Potts: Chair?

The Chair (Mr. Peter Z. Milczyn): Yes, Mr. Potts?

Mr. Arthur Potts: Maybe I can ask the Clerk: If Ms. Gretzky doesn’t want to bring the motion forward, may we? What’s the protocol in respect to that?

The Chair (Mr. Peter Z. Milczyn): The amendment has been filed in the requisite time with the committee, so it can be moved by any member of the committee.

Mr. Arthur Potts: I would like to move the motion. Can I read it into the record, then?

The Chair (Mr. Peter Z. Milczyn): All right. So Mr. Potts, you wish to introduce amendment number 25?

Mr. Arthur Potts: Yes. Thank you, Chair. I move that subsection 23(2.4) of the Ontario College of Teachers Act, 1996, as set out in subsection 4(5) of schedule 2 to the bill, be amended by striking out “may” and substituting “shall”.

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Potts.

Mr. Arthur Potts: Yes. I wanted to support this motion, and I appreciated the NDP bringing it forward, because it actually makes the bill more directory, makes it stronger, and we think that is important and it reflects the spirit of what we’re trying to do here.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Ms. Gretzky.

Mrs. Lisa Gretzky: We actually have another amendment further in what will address this issue.

The Chair (Mr. Peter Z. Milczyn): In another section?

Mrs. Lisa Gretzky: Yes.

The Chair (Mr. Peter Z. Milczyn): Mr. Potts.

Mr. Arthur Potts: Maybe you want to point that out and we can vote this down and deal with it later? Before I don’t have this come forward, I’d like to know what it is we would be moving forward.

The Chair (Mr. Peter Z. Milczyn): Ms. Gretzky, which amendment is it that you’re going to be introducing that you think—

Mrs. Lisa Gretzky: Chair, we’re comfortable with dealing with this one. That’s fine.

The Chair (Mr. Peter Z. Milczyn): All right. So the amendment has been moved. Is there any further discussion? On the amendment, all those in favour? Opposed? The amendment is carried.

There are no further amendments to schedule 2, section 4, as amended. Is there any further discussion? Shall schedule 2, section 4, as amended, carry? All those in favour? Opposed? It is carried.

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Moving on to schedule 2, section 5, an amendment to subsection 5(2), subsection 26(1.1) of the Ontario College of Teachers Act, 1996, amendment number 26: Mrs. Gretzky.

Mrs. Lisa Gretzky: Thank you, Chair. I move that subsection 26(1.1) of the Ontario College of Teachers Act, 1996, as set out in subsection 5(2) of schedule 2 to the bill, be amended by adding “and no later than the end of the day on which the registrar receives the complaint” after “complaint” in the portion before clause (a).

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson.

Mr. Granville Anderson: I recommend voting against this amendment. The proposed motion would require that by the end of the day, the registrar provide the complainant with confirmation that a complaint was received, notify them and then provide a copy of summary after the complaint.

The Chair (Mr. Peter Z. Milczyn): Further discussion?

Mrs. Lisa Gretzky: What we’re asking for is that everyone involved in the alleged misconduct case is provided the same information in a timely manner, so that they have an opportunity to respond to that in a timely manner. We think it’s a matter of fairness to all parties that that information is shared through the complaint process from the College of Teachers to the person who has allegedly engaged in misconduct.

The Chair (Mr. Peter Z. Milczyn): Mrs. Martins?

Mrs. Cristina Martins: I agree that it’s important that we make sure that everyone is notified. However, I think that the proposed wording by the NDP motion is overly prescriptive and that the current wording in subsection 26(1.1) already makes very clear the intention that complainants and members be notified as soon as possible. Really, this motion would not align itself with the Early Childhood Educators Act of 2007, so for that reason, we will be opposing this motion.

The Chair (Mr. Peter Z. Milczyn): Mrs. Gretzky?

Mrs. Lisa Gretzky: First, I’d like to draw attention to the fact that we’re not talking about the Early Childhood Educators Act. We’re actually talking about the Ontario College of Teachers Act, 1996.

Again, I would say that to use the language as “soon as possible” is very open-ended. When you’re talking about allegations as serious as what we are discussing, I think that it is only fair that those who have had allegations waged against them have an opportunity to have all that information before them, and have an opportunity to make their case in a timely manner. I think it’s only fair.

I think in this case, because of the seriousness of the allegations the college would be dealing with, prescribed language is in order. We shouldn’t be open-ended, as the government side is suggesting.

The Chair (Mr. Peter Z. Milczyn): Mrs. Martins?

Mrs. Cristina Martins: And I agree that it’s very important that all parties, complainants and members are notified as soon as possible. I just think that mandating that confirmation, copies or summaries must all be provided to complainants and members on the same day that a complaint is received or by the end of that day is sometimes administratively burdensome and unreasonable.

I think that what is currently in the act right now makes it very clear that the intention is that everyone needs to be notified as soon as possible.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Then, on the amendment, all those in favour of the amendment? Those opposed? The amendment is lost.

The next amendment, to subsection 5(2), clause 26(1.1)(b) of the Ontario College of Teachers Act, 1996, amendment number 27: Mrs. Gretzky?

Mrs. Lisa Gretzky: I move that clause 26(1.1)(b) of the Ontario College of Teachers Act, 1996, as set out in subsection 5(2) of schedule 2 to the bill, be amended by striking out “or, if the registrar considers it appropriate in the circumstances, a summary of the complaint” at the end and substituting “and of any document received with it”.

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson.

Mr. Granville Anderson: The proposed motion would require the registrar to provide the member with a copy of any documents received with a complaint against him or her. The wording of the motion suggests that the registrar indiscriminately copy and share the documents that might be received with a complaint, without regard for the relevance of the documents to the complaint or to the confidentiality or safety of individuals who may be identified in those documents.

The Chair (Mr. Peter Z. Milczyn): Mrs. Gretzky?

Mrs. Lisa Gretzky: In the past, stakeholders have come forward and mentioned cases where, initially, information was shared with the member who has been accused of misconduct. But further into an investigation, information that has come forward to the college has not been forwarded to the member or the member’s counsel and, therefore, they haven’t had access to it, or the information that comes forward is not fulsome information. There are things that are redacted or not shared with the accused.

The Chair (Mr. Peter Z. Milczyn): Further discussion?

Mr. Granville Anderson: This motion could jeopardize the integrity of ongoing investigations. The motion results in the mechanical disclosure of information without the ability to consider safety and fairness of those involved.

The Chair (Mr. Peter Z. Milczyn): Ms. Gretzky?

Mrs. Lisa Gretzky: I would argue that in criminal proceedings, when it’s before a court, defence has the right to all information brought against someone who has been accused in order to provide a fair defence.

What the government side has just argued is saying that someone who has been accused of an offence does not have the right to have all the information about the allegations against them and, therefore, cannot have a fair defence.

The Chair (Mr. Peter Z. Milczyn): Any further discussion? No? Then on the amendment, all those in favour? Opposed? The amendment is lost.

The next amendment is to subsection 5(2), subsection 26(1.4), of the Ontario College of Teachers Act, 1996, amendment number 28: Mr. Coe.

Mr. Lorne Coe: I move that subsection 5(2) of schedule 2 to the bill be amended by adding the following subsection to section 26 of the Ontario College of Teachers Act, 1996:

“Policy re communication with complainant

“(1.4) The investigation committee shall establish a policy for how it will maintain regular communication with a complainant and the policy shall be published on the college’s website.”

Chair, the background to this amendment is transparency around the process for complainants and that they have a full understanding of the steps in the process.

The Chair (Mr. Peter Z. Milczyn): Mr. Anderson.

Mr. Granville Anderson: With a view that, yes, transparency is key, the investigation committee needs to be a neutral arbiter of complaints against members. Its role is not to communicate directly with complainants.

Further, it is not appropriate for a statutory committee such as this to set policies for the OCT.

The Chair (Mr. Peter Z. Milczyn): Further discussion?

Mr. Lorne Coe: A recorded vote, please.

The Chair (Mr. Peter Z. Milczyn): A recorded vote has been requested on the amendment.

Ayes

Coe, Smith.

Nays

Anderson, Baker, Dong, Martins, Potts.

The Chair (Mr. Peter Z. Milczyn): The amendment is lost.

The next amendment is to subsection 5(3.1), subsection 26(2.0.1) of the Ontario College of Teachers Act, 1996, amendment number 29: Mr. Coe.

Mr. Lorne Coe: I move that section 5 of schedule 2 to the bill be amended by adding the following subsection:

“(3.1) Section 26 of the act is amended by adding the following subsection:

“Consultation before making regulation re clause 26(2)(c)

“(2.0.1) Before a regulation may be made for the purposes of clause 26(2)(c), the council shall hold public consultations, in the manner that the council considers appropriate, with any persons or bodies that are interested in the content of the proposed regulation.”

Chair, we heard from numerous delegations of the importance of consultation to this process. What this amendment speaks to, and what it ensures, is that interested parties are consulted with and that there is transparency, once again, around the process before regulations are made around the panel’s ability to cease investigations if it deems it in the public interest. Again,

Chair, through you, we heard this consistently in terms of the discussion on the regulations and this particular aspect.

1440

The Chair (Mr. Peter Z. Milczyn): Mr. Anderson.

Mr. Granville Anderson: We will be supporting this amendment. Thank you for your input.

The Chair (Mr. Peter Z. Milczyn): Further discussion? On the amendment, all those in favour? Opposed? The amendment is carried.

The next amendment, subsection 5(4), subsection 26(2.1), subparagraph 2 ii of the Ontario College of Teachers Act, 1996, amendment number 30: Ms. Gretzky.

Mrs. Lisa Gretzky: I move that subparagraph 2 ii of subsection 26(2.1) of the Ontario College of Teachers Act, 1996, as set out in subsection 5(4) of schedule 2 to the bill, be amended by adding “and the member” after “the registrar”.

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson.

Mr. Granville Anderson: Government motion 32 would address this by including a 30-day deadline for the employer to give a copy of all the information to the member. The motion would be difficult for employers to implement. LeSage recommended that information is shared in a timely manner and not at the same time.

The Chair (Mr. Peter Z. Milczyn): Ms. Gretzky.

Mrs. Lisa Gretzky: Chair, this amendment is meant to address the sharing of the information and what information is shared. It’s meant to compel any information that comes forward to the college to then also be shared with the member who has allegations brought forward against them. Again, it’s about making sure that it’s a fair and transparent process and that all parties involved have an opportunity to present the best case that they possibly can.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Seeing none, on the amendment, all those in favour? Opposed? The amendment is lost.

The next amendment to subsection 5(4), subsection 26(2.1), paragraph 3 of the Ontario College of Teachers Act, 1996, amendment number 31: Ms. Gretzky.

Mrs. Lisa Gretzky: I move that paragraph 3 of subsection 26(2.1) of the Ontario College of Teachers Act, 1996, as set out in subsection 5(4) of schedule 2 to the bill, be amended by striking out “do so” and substituting “provide the information to the registrar and the member”.

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson.

Mr. Granville Anderson: The intent of the bill is to align with the recommendations put forward in the LeSage report. The LeSage report recommended that the Ontario College of Teachers Act be amended to require school boards to provide the OCT with all relevant information relating to a complaint, within a defined timeline. This motion does not align with the LeSage recommendation. The bill already addresses the recom-

mentation that a timeline be imposed on school boards for providing information related to a complaint to the OCT.

The Chair (Mr. Peter Z. Milczyn): Ms. Gretzky.

Mrs. Lisa Gretzky: Again, this is addressing the collection and sharing of information. What we need to ensure, for all parties involved, is for everybody to have fulsome information.

In the past, it has been experienced that, once initial disclosure has been made and there has been a response by the member who has been accused, any further information that comes forward pertaining to the allegation that has come forward to the college may not have been fulsome information. There may have been things that were missing or have not been forwarded. As I pointed out, when you're talking about legal proceedings, court proceedings, the defendant has every opportunity to receive all the information for all the allegations against them in order to provide a defence. I believe that under the bill, as it sits, it does not provide an opportunity for the person accused, the member accused, to see all of the information that is being used to render a decision, whether that's for or against them. That is not a fair process.

The Chair (Mr. Peter Z. Milczyn): Further discussion? On the amendment, shall the amendment be carried? All those in favour? Opposed? The amendment is lost.

The next amendment, subsection 5(4), subsection 26(2.1) of the Ontario College of Teachers Act, 1996, amendment number 32: Ms. Martins.

Mrs. Cristina Martins: I move that subsection 26(2.1) of the Ontario College of Teachers Act, 1996, as set out in subsection 5(4) of schedule 2 to the bill, be amended by adding the following paragraph:

"3.1 Within 30 days of providing information to the registrar under subparagraph 2 ii or paragraph 3, the secretary of the school board shall provide a copy of such information to the member."

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson.

Mr. Granville Anderson: This motion aligns with the LeSage recommendation that the Ontario College of Teachers Act be amended to require school boards to provide OCT with relevant information relating to a complaint within a defined timeline. This motion will ensure consistency in the process in which employers file complaints or reports with the OCT.

The Chair (Mr. Peter Z. Milczyn): Ms. Gretzky?

Mrs. Lisa Gretzky: I would argue that motions I brought forward would have done the exact same thing, which would have limited the timeline for that information sharing.

I'm not clear on why it would take 30 days for information that comes to the registrar to then be forwarded to the member, and I would like clarification on "copy of such information." What if that information was shared orally with the college? How is that communicated to the member as well?

The Chair (Mr. Peter Z. Milczyn): Ms. Martins.

Mrs. Cristina Martins: What would be communicated orally when we're talking about these types of charges or allegations? I would imagine that, given the seriousness, it would all be in writing—just to get clarity for my end.

Mrs. Lisa Gretzky: What if information is shared with the college around the allegations orally? How, then, do they record that, and how is that shared with the member? Is there a possibility for that information to be shared orally with the member or does that have to be in written form? Is there some sort of record that way?

Mrs. Cristina Martins: I would imagine that if you want to keep a record, it would have to be a written record and that report would have to be provided to the member with a copy of anything else that was submitted to the registrar. So if it's submitted, it's submitted not orally, but by paper, right?

Mrs. Lisa Gretzky: So the College of Teachers would be required to keep a written record and it would be forwarded to the member in writing.

My other question for clarification was, why 30 days? Why does the registrar need 30 days to then forward information that has been shared with them?

Mrs. Cristina Martins: I think it's to keep in line with what LeSage recommended, that the Ontario College of Teachers be amended to require the school boards to provide the college with the relevant information relating to a complaint within a defined timeline. Why 30 days, I guess, is what you're asking, right?

Mrs. Lisa Gretzky: Yes, why 30 days? And I'm sorry; can you repeat that? Did you say with the board, with the employer?

Mrs. Cristina Martins: The motion aligns with the LeSage recommendation that the Ontario College of Teachers Act be amended to require school boards to provide the Ontario College of Teachers with relevant information relating to a complaint within a defined timeline.

Mrs. Lisa Gretzky: Okay. I guess my question is, how was it decided that 30 days is a reasonable timeline? Where did the 30-day number come from? Why would it take 30 days to report? It's your recommendation, but nobody can explain why you would suggest 30 days is needed.

Mrs. Cristina Martins: I would imagine that it would be to provide everyone with enough time to get all of their documentation in order and then submit that information to the registrar. I think that we've seen in previous motions that we want to make sure that any type of information or any type of complaint or allegation of any sort would be brought forth and communicated as soon as possible, within a reasonable time frame. This would provide, for any type of report that the employer does have to provide, sufficient time to get all of that information in order and then submit it to the registrar, hence the 30 days.

Mrs. Lisa Gretzky: Okay, but this is actually stating that the registrar has 30 days to provide the information

to the member. I guess what I'm asking is, why does the registrar need 30 days to forward information relevant to a case against a member?

1450

The Chair (Mr. Peter Z. Milczyn): Mr. Anderson.

Mr. Granville Anderson: Because 30 days is consistent with most legal statutes. So 30 days, it's out—or you could say 60, and you could say, "Why 60 days?" But 60 days is consistent with most legal statutes in matters such as these at other boards and tribunals.

Mrs. Lisa Gretzky: Okay. I'm not a lawyer, but I actually have concerns around that, because I'm not certain that that is an accurate statement when you're talking about someone—who has been accused of something—having access to information that's going to be used against them. I do have concerns about that claim.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: Just to reiterate what MPP Martins was saying, the 30-day timeline is just a reasonable timeline, and it's consistent with the other timelines that are in the act as well. That would be the rationale.

Mrs. Lisa Gretzky: Okay, but I guess my argument is, who deems it reasonable? Who gets to decide that 30 days is reasonable? I guess that's my argument—and I don't need any answer to that.

The Chair (Mr. Peter Z. Milczyn): The Legislative Assembly of Ontario gets to decide.

Mrs. Lisa Gretzky: It's a rhetorical question.

The Chair (Mr. Peter Z. Milczyn): Any further discussion? On the amendment, all those in favour? Opposed? The amendment is carried.

The next amendment, subsection 5(5), clause 26(3)(b) of the Ontario College of Teachers Act, 1996, amendment number 33: Ms. Gretzky.

Mrs. Lisa Gretzky: I move that clause 26(3)(b) of the Ontario College of Teachers Act, 1996, as set out in subsection 5(5) of schedule 2 to the bill, be amended by striking out "60 days" and substituting "a time period of 60 days after full disclosure of the complaint, including any document gathered in the investigation and any document that will be submitted to the committee".

The Chair (Mr. Peter Z. Milczyn): Discussion? No discussion? Ms. Martins.

Mrs. Cristina Martins: Our recommendation is that this motion be opposed.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Ms. Gretzky.

Mrs. Lisa Gretzky: Again, in fairness to any member who is accused of wrongdoing, I believe that it is only fair that any information that comes forward is provided to the accused before the 60-day timeline for them to have to submit an explanation; so before the member has to respond, that they be given all the information and have the time to be able to submit a fulsome response.

The way the bill is currently written, the clock, so to speak, starts ticking as soon as the member is made aware of an allegation and there is information received by the college. We're asking, out of fairness to the accused, that they have an opportunity to receive all in-

formation regarding the allegations against them before the 60-day timeline begins for them to have to submit their explanation to the college.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Ms. Martins.

Mrs. Cristina Martins: I think this was discussed a little bit earlier, and I think this argument was brought forth a little earlier, with regard to the expediency with which these allegations or these charges need to be dealt with.

In all fairness to all parties involved, I think that having this motion would actually increase the amount of time that it would take to dispose of complaints. I think that the proposed motion you've put forth here would state that the 60-day period of time for a member to submit explanations or representations concerning a complaint made against him or her would not begin until such time that that member would have received full disclosure of, and all, documents associated with the complaint. It would increase the amount of time before there was any action that would need to be taken.

The Chair (Mr. Peter Z. Milczyn): Ms. Gretzky.

Mrs. Lisa Gretzky: To that point, but on the flip side of that, should the college decide that they do need to proceed with a hearing around the allegations and that it does need to go forward, you have to provide—you should be providing—someone with adequate time to prepare their explanation of what's been alleged. If the time frame of 60 days begins before they have the information to then provide an explanation and start preparing for their defence, that's not really a fair process. It's not meant to slow the process down because, frankly, I believe some of my amendments actually were trying to move it along faster, because in some cases it has dragged on for years. But out of fairness to the person that's being accused, should the College of Teachers decide that it is warranted to move forward, the person who has an allegation brought against them should have the opportunity. The clock should not start, and start taking up their time, until they have had all the documents before them in order to be able to prepare a fulsome explanation to the college, a fulsome defence.

The Chair (Mr. Peter Z. Milczyn): Mrs. Martins?

Mrs. Cristina Martins: I don't have much more to add than what I have already said, but I think that the concern here would be that the motion would increase the amount of time that it would take to dispose of complaints. As you so rightfully said, we had a little bit of that debate this morning. We want to make sure that we are addressing some of these issues in a timely fashion. We wouldn't want to delay that, so that's our stand on it right now.

Mrs. Lisa Gretzky: Chair, I know it's argumentative, but one of the things is that you are actually trying to forward information to a complainant faster, as in one of my amendments that the government didn't support but that would actually also move the process forward, which was the member's argument.

The Chair (Mr. Peter Z. Milczyn): So the process is that you can ask questions of clarification; you receive

answers, which you may or may not like. Any further debate on the amendment? All those in favour? Opposed? The amendment is lost.

The next amendment, to subsection 5(6) of the bill, subsection 26(4.4) of the Ontario College of Teachers Act, 1996, amendment number 34: Ms. Gretzky.

Mrs. Lisa Gretzky: I move that subsection 26(4.4) of the Ontario College of Teachers Act, 1996, as set out in subsection 5(6) of schedule 2 to the bill, be amended by striking out “a description of the additional information” at the end and substituting “full disclosure of the additional information including any document gathered in connection with the additional information”.

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson.

Mr. Granville Anderson: It's like the previous motion. This would likely increase the amount of time it would take to dispose of complaints.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Seeing no further discussion on the amendment, all those in favour? Opposed? The amendment is lost.

The next amendment, to subsection 5(8.1), subsection 26(5.1) of the Ontario College of Teachers Act, 1996, amendment number 35: Ms. Gretzky.

Mrs. Lisa Gretzky: I move that section 5 of schedule 2 to the bill, which amends section 26 of the Ontario College of Teachers Act, 1996, be amended by adding the following subsection:

“(8.1) Section 26 of the act is amended by adding the following subsection:

“Same

“(5.1) The investigation committee shall not direct that a matter be referred, in whole or in part, to the discipline committee unless the investigation committee obtains an opinion from a person authorized under the Law Society Act to practise law in Ontario that there is a reasonable prospect of a finding of guilt of professional misconduct in respect of the matter which the investigation committee refers to the discipline committee.”

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson.

Mr. Granville Anderson: The OCT has already implemented the practice of obtaining a prosecutorial liability assessment from its legal counsel before investigating committees' panels when referring matters to discipline. In other words, a motion is unnecessary as OCT has already implemented this practice.

The Chair (Mr. Peter Z. Milczyn): Discussion? No further discussion? Then on the amendment, shall the amendment be carried? All those in favour? Opposed? The amendment is lost.

There are no further amendments to schedule 2, section 5, as amended. Is there any further discussion? Then shall schedule 2, section 5, as amended, carry? All those in favour? Opposed? That is carried.

On to schedule 2, section 6, amendment to section 6, subsection 26.2(2.1) of the Ontario College of Teachers Act, 1996, amendment number 36: Mr. Coe.

1500

Mr. Lorne Coe: I move section 26.2 of the Ontario College of Teachers Act, 1996, as set out in section 6 of schedule 2 to the bill, be amended by adding the following subsection:

“Consultation before making regulation re clause (2)(a)

“(2.1) Before a regulation may be made for the purposes of clause (2)(a), the council shall hold public consultations, in the manner that the council considers appropriate, with any persons or bodies that are interested in the content of the proposed regulation.”

Through you, Chair, I'd just provide a brief explanation. The amendment ensures the transparency around the regulation-making process for timelines in a situation where the registrar refers a matter to an investigation-stage complaint resolution process. Once again, this is based on the input that we received when we heard delegations, and it is in the spirit of the previous amendment that I had, which was adopted by committee.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Mr. Anderson.

Mr. Granville Anderson: I would like to thank the member for bringing this amendment forward. We will be supporting this motion.

The Chair (Mr. Peter Z. Milczyn): Further discussion? On the amendment, all those in favour? Opposed? The amendment is carried.

There are no further amendments to schedule 2, section 6. Is there any further discussion? Seeing none, shall schedule 2, section 6, as amended, be carried? All those in favour? Opposed? It's carried.

Next is schedule 2, section 7. There are no amendments proposed to this section. Is there any discussion? Shall schedule 2, section 7, be carried? All those in favour? Opposed? That is carried.

Schedule 2, section 8, amendment to subsection 8(0.1), subsection 30(1.0.1) of the Ontario College of Teachers Act, 1996, amendment number 37: Ms. Gretzky.

Mrs. Lisa Gretzky: I move that section 8 of schedule 2 to the bill, which amends section 30 of the Ontario College of Teachers Act, 1996, be amended by adding the following subsection:

“(0.1) Section 30 of the act is amended by adding the following subsection:

“Case under investigation

“(1.0.1) Despite clause (1)(a), if a matter is referred to the discipline committee under section 29 but the matter is under investigation by the member's employer, the discipline committee shall stay the proceedings.”

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson.

Mr. Granville Anderson: If the OCT initiates a complaint upon receiving an employer report, it would be inappropriate to stay the proceedings based on an investigation undertaken by a separate entity. Employers have their own procedures to follow when investigating a complaint, and this would take time. The motion would

result in delays in disposing of complaints if the OCT must wait until an employee investigation has concluded.

Justice LeSage recommended that OCT investigations should not be placed on hold pending completion of other investigations, unless requested by the police. Each investigation into a member's conduct is measured against a different set of criteria: employment, professional, criminal. This motion would not align with the Early Childhood Educators Act, 2007.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Seeing none, on the amendment, all those in favour? Opposed? The amendment is lost.

There are no further amendments to schedule 2, section 8, as amended. Is there any further discussion?

Mr. Arthur Potts: Just for the record, you said "as amended," but it wasn't amended. I think I knew what you meant, though.

The Chair (Mr. Peter Z. Milczyn): Yes, you're correct. I apologize.

There being no further discussion on this, shall schedule 2, section 8, be carried? All those in favour? Opposed? That is carried.

There are no amendments proposed to schedule 2, sections 9 and 10. With the committee's concurrence, we'll deal with those two together. Is there any discussion on schedule 2, sections 9 and 10? Seeing none, shall schedule 2, sections 9 and 10, be carried? All those in favour? Opposed? They are carried.

Schedule 2, section 11, an amendment to subsection 11(2), subsection 32(5.1) of the Ontario College of Teachers Act, 1996, amendment number 38: Ms. Gretzky.

Mrs. Lisa Gretzky: I move that subsection 11(2) of schedule 2 to the bill, which amends section 32 of the Ontario College of Teachers Act, 1996, be amended by adding the following subsection:

"Time of public notice of hearings

"(5.1) The public may be notified of a hearing only after,

"(a) the college has made a decision about whether to withdraw all or some of the allegations; and

"(b) a time has been set for a hearing to finally dispose of the matter."

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson.

Mr. Granville Anderson: It is inconsistent with Justice LeSage. It would limit access to the notice of hearing by the public. If any allegations are withdrawn, the notice of hearing would be updated accordingly.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Seeing none, on the amendment, all those in favour? Opposed? The amendment is lost.

The next amendment is subsection 11(2), subsection 32(5.2) of the Ontario College of Teachers Act, 1996, amendment number 39: Ms. Gretzky.

Mrs. Lisa Gretzky: I move that subsection 11(2) of schedule 2 to the bill, which amends section 32 of the Ontario College of Teachers Act, 1996, be amended by adding the following subsection:

"Content of public notice of hearings

"(5.2) Notice to the public of a hearing shall not contain information concerning the allegations except for the provisions of the regulations that define the alleged professional misconduct."

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson.

Mr. Granville Anderson: Again, it is inconsistent with Justice LeSage's recommendation. The notice of hearing is available to the public and should contain enough information on the matter to be heard, in the interest of transparency.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Ms. Gretzky.

Mrs. Lisa Gretzky: In fact, Justice LeSage was quoted as saying, "It must be remembered that, like a pleading, the notice of hearing must contain a concise statement of the material facts and allegations, but not the evidence. The evidence is to be presented in a public forum where it will be heard and weighed by a trier of fact." Since the member quoted Justice LeSage, that was a quote from Justice LeSage.

The Chair (Mr. Peter Z. Milczyn): Further discussion? No? Seeing none, on the amendment, all those in favour? Opposed? The amendment is lost.

There are no further amendments to schedule 2, section 11. Is there any further discussion? No? Shall schedule 2, section 11, be carried? All those in favour? Opposed? That is carried.

There are no amendments proposed to schedule 2, sections 12 through 16 inclusive. With the committee's concurrence, we'll deal with those sections together. Is there any discussion? Shall schedule 2, sections 12 through 16, be carried? All those in favour? Opposed? They are carried.

Schedule 2, section 17, amendment to subsection 40(0.1) of the Ontario College of Teachers Act, 1996, amendment number 40: Mr. Coe.

Mr. Lorne Coe: Through you, Chair, I'll withdraw that particular motion. It was dependent on the passage of motion 11.

The Chair (Mr. Peter Z. Milczyn): All right. You won't be introducing that.

Amendment to subsection 17(2), subsection 40(1) of the Ontario College of Teachers Act, 1996, amendment number 41: Ms. Martins.

Mrs. Cristina Martins: I move that paragraphs 14.2 to 14.9 of subsection 40(1) of the Ontario College of Teachers Act, 1996, as set out in subsection 17(2) of schedule 2 to the bill, be amended by adding the following paragraph:

"14.2.1 governing, for the purposes of clauses 23(2)(d.1) and 23(2.3)(c), whether information respecting current or previous criminal proceedings involving a member should be included on the register or removed from the register;"

1510

The Chair (Mr. Peter Z. Milczyn): Discussion? Seeing none, on the amendment, all those in favour? Opposed? The amendment is carried.

The next amendment, to subsection 17(2), paragraph 14.7 of subsection 40(1) of the Ontario College of Teachers Act, 1996, amendment number 42: Ms. Gretzky.

Mrs. Lisa Gretzky: I'd like to withdraw the amendment.

The Chair (Mr. Peter Z. Milczyn): Ms. Gretzky will not be introducing the amendment.

There are no further amendments to schedule 2, section 17, as amended. Is there any further discussion? No?

Shall schedule 2, section 17, as amended, be carried? All those in favour? Opposed? That is carried.

Schedule 2, section 18, an amendment to subsection 18(2), subsection 41(1) of the Ontario College of Teachers Act, 1996, amendment number 43: Ms. Martins.

Mrs. Cristina Martins: I move that subsection 18(2) of schedule 2 to the bill be struck out and the following substituted:

“(2) Subsection 41(1) of the act is amended by adding the following paragraph:

“‘27.1 subject to subsection 23(2.6), authorizing the removal from the register of information described in clauses 23(2)(b.2), (b.3), (b.4), (b.5) and (b.6) and of information regarding the removal of a suspension of a certificate of registration under subsection 23(3);”

The Chair (Mr. Peter Z. Milczyn): I think you got those numbers wrong.

Mrs. Cristina Martins: Are you going to make me repeat all those numbers again?

The Chair (Mr. Peter Z. Milczyn): No, just get the numbers right.

Mrs. Cristina Martins: All of them?

The Chair (Mr. Peter Z. Milczyn): Just the last number there, at the very end.

Mrs. Cristina Martins: “Under subsection 24(3);”

The Chair (Mr. Peter Z. Milczyn): Thank you.

Mrs. Cristina Martins: Okay. I thought that's what I said. Probably not.

The Chair (Mr. Peter Z. Milczyn): Discussion? No discussion? Then on the amendment, all those in favour? Opposed? The amendment is carried.

There are no further amendments to schedule 2, section 18, as amended. Is there any further discussion? Seeing none, shall schedule 2, section 18, as amended, be carried? All those in favour? Opposed? That is carried.

There are no amendments tabled for schedule 2, sections 19 and 20. With the committee's concurrence, we'll deal with those two together. Is there any discussion on schedule 2, section 19 and section 20? Shall schedule 2, section 19 and section 20, be carried? All those in favour? Opposed? They are carried.

Schedule 2, section 21, amendment to subsection 21(4), clause 43.2(3.1)(b) of the Ontario College of Teachers Act, 1996, amendment number 44: Ms. Gretzky.

Mrs. Lisa Gretzky: I move that clause 43.2(3.1)(b) of the Ontario College of Teachers Act, 1996, as set out in

subsection 21(4) of schedule 2 to the bill, be amended by adding “and the member” after “the registrar”.

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson.

Mr. Granville Anderson: Chair, the bill has already been amended to add a 30-day timeline for the member to receive all information on the report. The motion would be difficult for employers to implement. LeSage recommended that information is shared in a timely manner, not at the same time.

The Chair (Mr. Peter Z. Milczyn): Further discussion? On the amendment, shall the amendment be carried? All those in favour? Opposed? The amendment is lost.

The next amendment is subsection 21(4), subsection 43.2(3.3) of the Ontario College of Teachers Act, 1996, amendment number 45: Ms. Gretzky.

Mrs. Lisa Gretzky: I move that subsection 43.2(3.3) of the Ontario College of Teachers Act, 1996, as set out in subsection 21(4) of schedule 2 to the bill, be amended by striking out “Within 30 days of” at the beginning and substituting “At the same time as”.

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson.

Mr. Granville Anderson: Chair, again, the bill has already been amended to add a 30-day timeline for the member to receive all information and all reports. The motion would be difficult for employers to implement. LeSage recommended that information is shared in a timely manner, not at the same time.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Seeing none, on the amendment, all those in favour? Opposed? That is lost.

Next, an amendment to subsection 21(4), subsection 43.2(6) of the Ontario College of Teachers Act, 1996, amendment number 46: Mrs. Gretzky?

Mrs. Lisa Gretzky: I move that that subsection 43.2(6) of the Ontario College of Teachers Act, 1996, as set out in subsection 21(4) of schedule 2 to the bill, be amended by striking out “where an employer is considered under subsection (7) to employ or to have employed a member” in the portion before clause (a).

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson?

Mr. Granville Anderson: This motion is inconsistent with the provisions in the bill. The motion would limit employer reporting requirements to school employers. The motion does not recognize that members must behave professionally toward children and students in all employment settings, not just schools.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Then on the amendment, shall the amendment be carried? All those in favour? Opposed? The amendment is lost.

Next, amendment to subsection 21(4), subsection 43.2(8) of the Ontario College of Teachers Act, 1996, amendment number 47: Mrs. Gretzky?

Mrs. Lisa Gretzky: I move that subsection 43.2(8) of the Ontario College of Teachers Act, 1996, as set out in subsection 21(4) of schedule 2 to the bill, be struck out.

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson?

Mr. Granville Anderson: Again, Chair, the motion is inconsistent with other provisions in the bill. The motion would limit employer reporting requirements to school employers. The motion does not recognize that members must act in accordance with the professional standard of the college in all employment settings, not just school settings.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Seeing none, on the amendment, all those in favour? Opposed? The amendment is lost.

The next amendment, to subsection 21(4) subsection 43.2(11) of the Ontario College of Teachers Act, 1996, amendment number 48: Mrs. Gretzky?

Mrs. Lisa Gretzky: I move that section 43.2 of the Ontario College of Teachers Act, 1996, as amended by subsection 21(4) of schedule 2 to the bill, be amended by adding the following subsection:

“Same

“(11) For greater certainty, this section does not apply in the case of suspensions or restrictions imposed on a member’s duties pending the completion of an employer’s investigation into allegations of an act or omission by the member that would, if proven, cause the employer to terminate the member’s employment, to suspend the member or to impose restrictions on the member’s duties for reasons of professional misconduct.”

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson?

Mr. Granville Anderson: Again, this amendment is inconsistent with Justice LeSage. Each investigation into a member’s conduct is measured against a different set of criteria: employment, professional and criminal.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Seeing none, on the amendment, all those in favour? Opposed? The amendment is lost.

There are no further amendments tabled to schedule 2, section 21. Is there any further discussion? Shall schedule 2, section 21 be carried? All those in favour? Opposed? That is carried.

Schedule 2, section 22, amendment to subsection 22(2), clause 43.3(1.2)(b) of the Ontario College of Teachers Act, 1996, amendment number 49: Mrs. Gretzky?

1520

Mrs. Lisa Gretzky: I move that clause 43.3(1.2)(b) of the Ontario College of Teachers Act, 1996, as set out in subsection 22(2) of schedule 2 to the bill, be amended by adding “and the member” after “the registrar”.

The Chair (Mr. Peter Z. Milczyn): Discussion? Mr. Anderson.

Mr. Granville Anderson: Without sounding rhetorical, the bill already includes a 30-day timeline for the member to receive all information on the report. The motion would be difficult for employers to implement. LeSage recommended that information be shared in a timely manner, not at the same time.

The Chair (Mr. Peter Z. Milczyn): Further discussion? All those in favour of the amendment? Opposed? The amendment is lost.

The next amendment, to subsection 22(2), subsection 43.3(1.4) of the Ontario College of Teachers Act, 1996, amendment number 50: Ms. Gretzky.

Mrs. Lisa Gretzky: I move that subsection 43.3(1.4) of the Ontario College of Teachers Act, 1996, as set out in subsection 22(2) of schedule 2 to the bill, be amended by striking out “Within 30 days of” at the beginning and substituting “At the same time as”.

The Chair (Mr. Peter Z. Milczyn): Discussion?

Mr. Granville Anderson: The bill includes a 30-day timeline for the member to receive all information on the report. The motion would be difficult for employers to implement. LeSage recommended that information be shared in a timely manner, not at the same time.

The Chair (Mr. Peter Z. Milczyn): Further discussion? On the amendment, all those in favour? Opposed? The amendment is lost.

The next amendment, to subsection 22(4), subsection 43.3(3) of the Ontario College of Teachers Act, 1996, amendment number 51: Ms. Gretzky.

Mrs. Lisa Gretzky: I move that subsection 43.3(3) of the Ontario College of Teachers Act, 1996, as set out in subsection 22(4) of schedule 2 to the bill, be amended by adding “and the member” after “provide the employer”.

The parliamentary assistant doesn’t need to read his notes. I think we’ve all heard it a hundred times.

The Chair (Mr. Peter Z. Milczyn): Discussion?

Mr. Granville Anderson: The member will be notified if the employer report is turned into a formal complaint by the registrar. The member already has a copy of the report and the OCT would notify the member of the outcome as a matter of procedure. The motion only addresses one section in the bill, not the two other identical sections in the bill.

The Chair (Mr. Peter Z. Milczyn): Further discussion? Seeing none, on the amendment, all those in favour? Opposed? The amendment is lost.

There are no further amendments proposed to this section. Is there any further discussion?

Shall schedule 2, section 22, be carried? All those in favour? Opposed? That is carried.

There were no amendments tabled for schedule 2, sections 23 through 30, inclusive. With the committee’s concurrence, we’ll deal with these sections together. Is there any discussion? Shall schedule 2, sections 23 through 30, inclusive, be carried? All those in favour? Opposed? They are carried.

Schedule 2, section 31, amendment to subsection 63.1(3) of the Ontario College of Teachers Act, 1996, amendment number 52: Ms. Gretzky.

Mrs. Lisa Gretzky: I’d like to withdraw the amendment.

The Chair (Mr. Peter Z. Milczyn): Ms. Gretzky will not be introducing that amendment.

The next amendment, to section 31 (subsection 63.1(3) of the Ontario College of Teachers Act, 1996), amendment number 53. Ms. Gretzky.

Mrs. Lisa Gretzky: I'd like to withdraw the amendment.

The Chair (Mr. Peter Z. Milczyn): Ms. Gretzky will not be introducing that amendment.

There are no further amendments suggested for this section. Is there any discussion? Shall schedule 2, section 31, be carried? All those in favour? Opposed? That is carried.

There are no amendments to schedule 2, section 32. Is there any discussion? Shall schedule 2, section 32, be carried? All those in favour? Opposed? That is carried.

For schedule 2, as amended, as a whole, is there any further discussion? No? Shall schedule 2, as amended, be carried? All those in favour? Opposed? That is carried.

We now return to sections 1 through 3. Is there any discussion on section 1? Shall section 1 be carried? All those in favour? Opposed? That is carried.

Section 2, commencement: Is there any discussion? No? Shall section 2 be carried? All those in favour? Opposed? That is carried.

Section 3, short title: Is there any discussion? Shall section 3 be carried? All those in favour? Opposed? That is carried.

Shall the title of the bill be carried? Is there any discussion on that? No? Shall the title of the bill be carried? All those in favour? Opposed? That is carried.

Shall Bill 37, as amended, be carried?

Mr. Arthur Potts: Can we have discussion first?

The Chair (Mr. Peter Z. Milczyn): Certainly.

Mr. Arthur Potts: I'd like a quick comment on the bill as a whole. I've appreciated very much this committee hearing and the opportunity to get some debate from the members opposite and to have them listen to the amendments we brought forward, as we have to theirs. I'm delighted that we were able to accept some of the members' amendments and support them and, in one case, even support an amendment that was withdrawn by one of the members so we could bring it forward, because I think it's helped make a better bill. Thank you to all the members opposite.

The Chair (Mr. Peter Z. Milczyn): Any further discussion? Mr. Coe.

Mr. Lorne Coe: Thank you, Chair, and through you and to the committee members and those who might be watching: From the very beginning, starting with the delegations, what we, I think, as a committee were striving toward was greater transparency in investigation and disciplinary matters, faster complaint resolution and making the complaint process more open and transparent to the public, but also, at the same time, to put in protections and safeguards for teachers, whether it be early childhood educators or otherwise, of whom my daughter is one.

Are we 100% satisfied? Probably not, but I think we're closer to it than when we started. I thank all the participants for that process.

The Chair (Mr. Peter Z. Milczyn): Thank you. Ms. Gretzky.

Mrs. Lisa Gretzky: I would just like to reiterate that from the beginning, the idea was to make sure that students are safe when at school. But I think it also needs to be pointed out that it needs to be a fair process for all sides. The more fulsome and the quicker the process moves through, the better for not only those accused, but for the victims themselves.

I would also like to take the opportunity to point out that this legislation would only come into play for a very small portion of teachers and ECEs; it's not the majority. I would hope that when members are out in the community or speaking to the media, they draw attention to that fact, that the majority of our teachers and our ECEs are indeed professionals who have only the best interests of students at heart.

It's unfortunate that we have to have legislation like this, but it is necessary.

The Chair (Mr. Peter Z. Milczyn): Thank you. Further discussion? Ms. Martins.

Mrs. Cristina Martins: If I can add, I just want to thank everyone who did come forward and present to the committee and also thank all of the teachers, early childhood educators and everyone who watches over our children every day. I know that as a mother of two young children myself who are with the Toronto Catholic District School Board, I recognize and appreciate the fact that we have teachers who are caring, supportive, instructive and provide safe environments for our children every day, so I wanted to thank them as well.

I thank the opposition for their words here today, wrapping up this committee this afternoon, recognizing that the government is moving forward to ensure that our children are safe and that we do have the proper safeguards in place as well for those who watch over our children. I wanted to thank them for their co-operation today and their recognition of the government's good work. Thank you.

The Chair (Mr. Peter Z. Milczyn): No further discussion?

Shall Bill 37, as amended, be carried?

Mr. Arthur Potts: Recorded.

The Chair (Mr. Peter Z. Milczyn): A recorded vote has been requested.

Ayes

Anderson, Dong, Gretzky, Martins, Potts.

The Chair (Mr. Peter Z. Milczyn): Bill 37, as amended, is carried.

Shall I report the bill, as amended, to the House? All those in favour? Opposed? That is carried.

Is there any other business for the committee? No? We stand adjourned.

The committee adjourned at 1531.

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Jeudi 1^{er} décembre 2016

Standing Committee on Finance and Economic Affairs

Pre-budget consultations

Comité permanent des finances et des affaires économiques

Consultations prébudgétaires

Chair: Peter Z. Milczyn
Clerk: Eric Rennie

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRS****COMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES**

Thursday 1 December 2016

Jeudi 1^{er} décembre 2016*The committee met at 0900 in room 151.***PRE-BUDGET CONSULTATIONS**

The Chair (Mr. Peter Z. Milczyn): Good morning, everyone. I'm calling this meeting to order, to begin our pre-budget consultations. Each witness will receive up to 10 minutes for their presentation, followed by five minutes of questioning from the committee. The first round of questioning will begin with the official opposition.

Are there any questions before we begin?

**ONTARIO COMMUNITY SUPPORT
ASSOCIATION**

The Chair (Mr. Peter Z. Milczyn): I'll call up our first witness: Mr. Patrick Boily. At the start of your presentation, please state your name for the official record so that Hansard can record it.

Mr. Patrick Boily: I'd like to start by thanking the committee for having us today to present on issues facing the not-for-profit home and community care sector. My name is Patrick Boily. I'm the manager for policy and stakeholder engagement with the Ontario Community Support Association.

OCSA represents over 270 not-for-profit agencies across the province that provide compassionate, high-quality home care and community support services to over one million Ontarians.

You are no doubt familiar with organizations in your ridings that provide health and wellness services to seniors and people with disabilities—services such as in-home nursing and personal support, Meals on Wheels, Alzheimer day programs, transportation to medical appointments, or supportive housing.

Each year, our sector delivers over three million meals, provides over two million rides to medical appointments and provides services to nearly a quarter of a million clients in adult day programs. Our members deliver over 25 services that are cost-effective and have system-wide impacts.

A day spent in the hospital costs, on average, \$450; a day in long-term care costs approximately \$150; and, on average, a day in the home or community setting costs only \$45.

Our services postpone or prevent the need for more expensive types of care by delaying or preventing

admissions into long-term care, reducing emergency department visits and shortening hospital stays.

Additionally, the not-for-profit home care and community support services sector leverages the services of more than 100,000 volunteers, who provide three million service hours that have an estimated value of \$80 million a year.

Our sector faces many financial challenges, including a lack of sustainable base funding for providers and insufficient investment in training for staff. In the 2017 budget, OCSA asks that three issues be prioritized:

(1) That the savings from the integration of CCAC services into LHINs—a projected 5% to 8% savings in administrative costs—be reinvested into the base budgets of home and community support services agencies to shore up service access and support ongoing staffing needs.

(2) That the increases in community health funds be continued and that a portion be designated to provide enhanced training for home and community care staff to meet the needs of a patients-first approach.

(3) That targeted program funding from the upcoming provincial dementia strategy be designated to the home and community care sector for programs such as adult day services and respite to support family and caregivers of people living with dementia.

OCSA applauds the government's investments in home and community care services over the past years. These investments have allowed for the expansion of much-needed services. However, the vast majority of the home and community support sector has gone several years, some up to seven years, without an increase to base funding. This has restricted the capacity of our agencies to innovate or create efficiencies by investing in new technology, to retain staff or to improve training.

OCSA supports the province's vision of shifting more care and more complex clients for services into the community. However, in order to do this properly, adequate funding must follow these shifts in policy.

A recent example of this shift is the regulatory change that allowed community support services to deliver personal support services to lower-acuity patients in order to enable the CCACs to focus on higher-acuity clients. This lack in base funding increases has forced our members to either increase client fees or reduce access to service. These organizations are the bedrock of home and community care; unless they receive adequate funding, a

truly patients-first approach to health care cannot be achieved.

So far, only three of 14 LHINs have recognized the impact this has had on our members and allocated a base increase of 1% over recent years. Just last week, Minister Hoskins acknowledged the impact that a lack of base funding can have on health care providers and announced a 2% base funding increase for hospitals. We ask that the same consideration be given to the home and community support sector.

Under Bill 41, it is expected that integrating CCACs into LHINs will result in savings of 5% to 8% in administrative costs. Based on Auditor General figures, administrative costs at the LHINs and CCACs are an estimated \$280 million. This could result in savings of \$14.1 million to \$22.4 million. While this amount is a modest amount within a health budget of \$52 billion, it could go a long way and have a significant impact when invested in our sector. As an example, a 1% base funding increase for community support services sector providers in the South West LHIN in 2015-16 cost just under \$1.5 million.

In surveys with our membership, wages continue to be the top challenge cited by our members. Over the past few years, the province has focused on wage enhancements for personal support workers. OCSA fully supports this initiative benefiting some of the system's lowest-paid workers. However, this increase has created compensation compression within the sector and wage discrepancy for other positions. Coupled with the lack of base funding increases, funding shortfalls are eroding our sector's ability to attract and retain needed personnel. Our members find themselves at a significant competitive disadvantage in the recruitment and retention of qualified health human resources, given the wage and benefit discrepancies.

The key to our sector's long-term success is continued capacity-building within it. Our clients also deserve and expect the highest-quality care provided by a skilled and professional workforce. For these reasons, we recommend that the ministry build the cost of staff training into base funding.

It is unrealistic to expect a skilled and robust workforce in the home and community care sector without consistent training and development. Currently, comprehensive training options are available on the market, but providers' ability to pay for training is dependent on their year-end surpluses.

Last year, the administrative rollout of the \$10-million personal support worker training fund fell extremely behind schedule, resulting in organizations having no time to complete approved training or leaving them in a deficit position.

Because a well-trained workforce is far from optional, this is not a sustainable model. It can be effectively and efficiently addressed through building predictable, sustainable funding designated for worker training into organizations' base funding.

As the Ministry of Health and Long-Term Care develops a dementia strategy for the province, it is

imperative that funding support both people living with dementia and their caregivers. Caregivers risk burning out and becoming unable to care for their loved ones without respite and other supports. Currently, many adult day programs have wait-lists due to funding shortfalls. The question of how best to support those who care for people with dementia is one that needs to be addressed now.

In Ontario, caregivers are experiencing distress at much higher rates than even just a couple of years ago. In their 2016 Measuring Up report, Health Quality Ontario tracked an increase in caregiver distress from 21% in 2010-11 to 35% in 2014-15. This is a 40% increase in just four years.

In addition, the 2015 HQO report, *The Reality of Caring*, identified that "Nearly half ... of patients with Alzheimer's disease or other dementias had caregivers who were distressed." In a survey of our members, 82% of respondents identified that funding and resources were inadequate to prevent caregiver burnout.

This is why any dementia strategy that is developed must include funding for services such as adult day programs for those living with dementia and other respite and training services for their caregivers.

In conclusion, I would like to thank members for their time and leave them with a reminder that a sustainable health care system is dependent on a strong and healthy home and community care sector.

As the province's demographics shift, we know how important it is that the health system provides care in the most effective and appropriate place for each client, and we are grateful for the government's leadership in encouraging the crucial shift towards the provision of more care at home and in the community. OCSA members are eager to take on this challenge. We ask simply for the support we need to do so.

Thank you for your time. OCSA will also be submitting a written submission that explains our positions in greater detail.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Boily. Mr. Barrett, you have up to five minutes.

Mr. Toby Barrett: Thank you very much for presenting on behalf of the Ontario Community Support Association. Certainly in my travels—I think everyone supports home care and everyone supports community care and certainly talks in those terms. The funding, the structure, much of it is based around very large institutional buildings and large institutions, if you will, and structures almost put in place 100 years ago, and change is difficult.

0910

You are sending a brief to the committee. Would you also be able to provide any research or literature reviews or any studies that have been done on the value of home care and the drawbacks, perhaps—any kind of objective research?

Mr. Patrick Boily: Yes, we can submit that as part of the brief as well. There's a research network that's based out of Ryerson University that does a lot of research

around home and community care that has good research. Those are some resources that I'm happy to share with everyone here.

Mr. Toby Barrett: Okay. Mr. Fedeli?

The Chair (Mr. Peter Z. Milczyn): Mr. Fedeli.

Mr. Victor Fedeli: Thank you very much, Chair. Welcome, Patrick. I've got a question, and a request in a moment. You talked about the fact that you've got 270 not-for-profits that you represent. Can you just give us an idea of some of the types of these, to give us the scope of what your association and group covers?

Mr. Patrick Boily: Yes. Our association actually represents a broad variety of organizations. Some of them can be small, community-based Meals on Wheels organizations that do small things. Some of them are national, not-for-profit in scope that do home care, such as Saint Elizabeth and organizations like that. We've also got some members that are assisted living spaces, attendant care—so adults with disabilities who have been living in place—Cheshire Homes. Those are the three main buckets of services—those that would provide community support services, and organizations that do transportation services.

We really do have a breadth of organizations—some of them are as small as two staff members that are really volunteer-dependent, to these national organizations.

Mr. Victor Fedeli: I didn't hear enough names. Is VON—

Mr. Patrick Boily: Yes, VON would be a member.

Mr. Victor Fedeli: I didn't know that.

Mr. Patrick Boily: VON would be a member.

Mr. Victor Fedeli: That's what I'm looking for. Just give me names so I get a feel.

Mr. Patrick Boily: VON would be one of our members. London Meals on Wheels would be a member. Caledon Community Services would be one of them.

We have a list broken down by LHIN that I could share with the committee as well, if that would be of interest to the committee, as part of the—

Mr. Victor Fedeli: Yes, I wouldn't mind that. I represent Nipissing, which is in northern Ontario, and I'm just trying to get a feel—we had the Alzheimer Society in last week, last Friday, on the day that I'm home, and it was a very compelling presentation they made. They talked about health caregiver distress; they talked about that at length. It was truly compelling. Is that one of the groups that is part of your—

Mr. Patrick Boily: Some of the Alzheimer societies are members of the association. Not all regional chapters are, because it's a chapter-by-chapter decision, but some of the Alzheimer societies in the province are members as well.

Mr. Victor Fedeli: Okay. Good.

Mr. Toby Barrett: Just a brief one: I see your association, and next up is Home Care Ontario. What other associations are there that cover this area?

Mr. Patrick Boily: There's Home Care Ontario that does it as well. Also, some of our members are palliative care providers, so there are members who are members

of our association and the Ontario Palliative Care Association. So we share members with them as well.

Mr. Toby Barrett: Basically those three.

Mr. Victor Fedeli: Chair, how much time is there?

Interjection.

Mr. Victor Fedeli: I'm doing a paper, an analysis, on the aging community. I'm looking at it more from the financial aspect. Do you have any data that you can share with us in terms of the increasing age, population, the gaps—anything at all that you can help me with?

Mr. Patrick Boily: I could point you to some resources. As an association ourselves, we don't produce any raw data, but we do use some different sources for data. I'd be happy to share what we have and what we use when we look at different numbers with you to help you out.

Mr. Victor Fedeli: Would you mind sharing that with the committee?

Mr. Patrick Boily: Yes, I could do it with the committee as well.

Mr. Victor Fedeli: Specifically put something—if you don't mind—in response to MPP Fedeli's demographic request: Here are the links that we have. Would you mind doing that? I would deeply appreciate that. It will help all of us in the end, once the analysis is done. It might take another half a year or a year to get it done.

Mr. Patrick Boily: Perfect.

Mr. Victor Fedeli: Thank you.

The Chair (Mr. Peter Z. Milczyn): You have 15 seconds left.

Mr. Victor Fedeli: Well, thank you very kindly, and I'll share your comments with our Alzheimer Society in North Bay.

The Chair (Mr. Peter Z. Milczyn): Thank you very much, Mr. Boily. I know you did mention that you're going to have written submissions. You can add Mr. Fedeli's request into that. You have until January 20 to submit them.

Mr. Patrick Boily: Thank you.

HOME CARE ONTARIO

The Chair (Mr. Peter Z. Milczyn): Our next witnesses are here, I believe: Ms. VanderBent and Ms. Reno. Again, you have up to 10 minutes for your presentation, followed by five minutes of questioning. In this case, it will be from the NDP. If you could state your names for the official record as you begin, please.

Ms. Sue VanderBent: Thank you. Good morning, everyone. My name is Sue VanderBent, and I am the CEO of Home Care Ontario. With me this morning is my colleague Christine Reno, vice-president, operations, CBI We Care, one of the largest home care organizations in Ontario and Canada, and past chair of the board of Home Care Ontario.

Our pre-budget submission is entitled *The Road Home*, because that's where most Ontarians want to live, want to receive care and want to spend their last days.

Home Care Ontario commends the government for being a strong advocate of home care and introducing legislation to enable necessary reforms to improve access to home care. We would like to thank the government for the investments that have been made over the past years to home care.

Members of Home Care Ontario are eager to share innovative practices and welcome the opportunity to work with LHINs and be measured on the outcomes achieved for patient care. With the anticipated passage of Bill 41, LHINs will have the opportunity to work directly with existing front-line home care providers. That's a good thing because they really haven't had that opportunity, and they will now with Bill 41.

As the voice of home care in Ontario, our association represents member home care organizations, both for-profit and not-for-profit, and they deliver all front-line home care: nursing, therapy and personal support to Ontarians in their homes and communities across all parts of this large and diverse province. I think you're going to hear some congruence with my colleague Patrick's submission from OCSA because we share members and we have a lot of alignment with their thoughts.

Home care providers are accountable for direct care at the front line and responsible for clinical expertise and evidence-based practice, risk, performance, quality management and the achievements of patient outcomes. They are in the home with the person and the family at the bedside, and that is really a key role in the health care system of Ontario.

Really, home care is a success story. Treatments and plans that would have required a hospital stay just a few years ago are now successfully managed at home. Families are increasingly confident about home as the place to receive care, society in general is more receptive to the idea of home care, and technology is becoming more enabling.

The investments by government have helped to increase the numbers of home care that are being given to people. Last year, 729,000 Ontarians received home care services, an increase of more than 115,000 people in five years. The number of hospital referrals to home care has increased 17% since 2008. But in the same time frame, there has been an increase of 95% more home care acuity, and by that I mean that we are looking after people who are much sicker than they were five or even 10 years ago. Now we are looking after very, very sick people at home.

The policy shift is working because that's what a progressive health care system does: It really tries to deliver care in the home. More people know about it. Actually, in a recent Nanos poll there was strong support for an increase in personal taxes to pay for home care. So that tells you something.

We know that home care costs the government less than the fee for a day in a hospital or long-term care. Caring for a terminally ill patient at home is estimated to cost 10 times less than providing care in a hospital. It's

probably the better place to provide that kind of care. It's one of the least expensive forms of home care and health care, largely because of the family contribution.

This morning, we are pleased to offer some pre-budget recommendations and advice to support the government's agenda of putting patients first.

In crafting your budget, the association advises that government carefully consider the increasing complexity of care needs at home and the increasing numbers of people receiving home care services. It's vital that the goal of serving more people be balanced in light of the growing complexity.

On the funding side, most people do not know that the proportional spending on the publicly funded home care system in relation to the overall health care expenditure has hovered around 5% of Ontario's total health care budget since 1999.

0920

As the total budgets for health care in Ontario have increased to over \$51 billion, home care funding has also grown, but never to more than around 5% of the total. The result is that despite an intentional shift to support home care—by successive provincial governments, I must say—the sector's proportional share of the overall health care budget has remained stagnant for the past 16 years. We keep trying to get ahead, but we know and government knows that this is hard.

We have not had enough input to keep pace with the aging population, the increased chronicity and the complexity of care required. We know that home care funding has not kept pace with the consumer price index in Ontario, which has increased 9.1% in the past five years. Wage restraint has meant that front-line home care providers have not received an increase in bill rates to offset operating costs, education and wage increases during this period of 9% inflation.

PSW wage enhancement, introduced in 2014, while very, very welcome—and we thank you for it—has actually had the effect of driving down the overall front-line home care provider bill rate, because many of the non-statutory overhead costs were not included in the funding. Those are really, really important costs to understand.

So actually, Ontario's home care system is struggling, as front-line home care providers try to keep pace with care needs, funder demands and extreme economic pressures.

Home Care Ontario believes that, using projections from Ontario's 2016 budget of a total health care budget of \$51.8 billion, the investment in home care should increase to \$3.1 billion per year, an increase of approximately \$600 million in 2017, or 6% of the budget. This increase would break this historic 5% funding barrier. This level of commitment is essential to deliver safe care at home and deflect, and continue to deflect, the inappropriate use of institutional-based resources, such as hospital or long-term care.

Accordingly, Home Care Ontario asks that the government break the 5% home care funding barrier by

increasing the spend on home care to 6% of the total health care budget in 2017, an estimated increase of \$600 million to the sector.

The funding would enable:

- additional services at home, specifically for people with palliative and dementia support needs;

- enhanced technology and improved connectivity in order to support home care and connect it to the rest of the health care team;

- increased respite services to support family caregivers who provide most of the family care at home;

- the means to undertake a “rate refresh” for the provision of services to address staff compensation and offset the inflationary pressures of the past five years; and

- the development and implementation of a comprehensive and robust health human resource strategy for the sector.

In addition to my funding request, I would be remiss in my submission this morning if I did not say a few final words about the special policy and funding levers that we need to put into place to support Ontario families who care for their loved ones.

We know that approximately eight million Ontarians provide care to a chronically ill, disabled or aging family member each year. While family members typically take this responsibility willingly, they need to be better informed and supported. Family and friends assume an estimated 80% of the care that’s provided to the ill, frail and dying at home. Home Care Ontario polling data suggests that families are already privately purchasing 20 million hours of care annually.

These facts indicate that, despite measures already taken by government, there must be more investment in hours of home care respite and financial recognition of the contributions of families who purchase private care.

The government must, where possible, think for the future and support the current private purchase of care from reputable home care service provider organizations, such as those registered with Home Care Ontario, to mitigate the risks inherent in the underground delivery system, including loss of tax revenue and potential health system misuse. Families should not be left to search for their own options. We do need to support them, even when the publicly funded system is stretched and they reach out to purchase care privately.

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. VanderBent. That has been 10 minutes.

I’ll just make note for the committee: There are 28 minutes left on the bell. We should adjourn five minutes before, just to give everybody time to get up for the vote that occurs.

Ms. Fife, you have five minutes.

Ms. Catherine Fife: Thank you very much, Sue and Christine, for being here. I appreciate it. That’s the first time I’ve ever heard about the underground care concept, and I’ve been on this committee for five years. So thank you for raising that issue at this committee. I’m probably going to follow up with you about that.

On wage restraint: You make a very compelling case, obviously, for wages to be improved for front-line-care operators. Have you noticed over the years, though, how wages have increased for the executive and the administrative and the higher-up bureaucrats in CCACs and LHINs?

Interjections.

Ms. Catherine Fife: Could you guys take that somewhere else, please? Jeez.

Please go ahead.

Ms. Christine Reno: Yes, in fact, we welcomed the Auditor General’s report because what that did for us is that—it was in the sector—it was able to highlight that 40 cents on the dollar was not making it past the administrative part of the CCACs.

Ms. Catherine Fife: It’s a huge problem.

Ms. Christine Reno: If you put \$100 million of funding in, only \$60 million gets to the front line.

Ms. Catherine Fife: Yes, it was a shock.

Also, the good news is that on your \$600-million ask, yesterday’s Auditor General’s report—I don’t know if you’ve had a chance to fully review it, but one of her recommendations says—is that Ontario has 4,100 ALC patients in hospital waiting for a bed elsewhere, either in long-term or home care. The auditor estimates that this is costing Ontario \$376 million per year and hospitals could have treated 37,000 more patients if ALC patients weren’t waiting in the hospital.

So this really is about reorganizing and reprioritizing home care. The economic case is there, but the resources also have to be there in the community.

There are concerns about Bill 41—we have them—that the CCACs will just be absorbed by the LHINs but you still have the same bureaucracy and you still have those same systems where the money is at the top and not at the front line. Do you want to comment on that at all? We have to get this right.

Ms. Christine Reno: Our understanding of the agenda is that it’s a transition and a transformation. That is our understanding at the moment. We are continuing to work—and we work with OCSA, as well, and Home Care Ontario—to look at this.

We expect significant change in the structure—because, to your point, that’s exactly what has to happen. It can’t just be a moving over and the same costs stay. We expect there to be a transformation so that more of the funding will make it to the front line. That is our expectation.

Ms. Catherine Fife: But you did also say in your presentation that LHINs have traditionally not had this very direct relationship with front-line care. We have noticed—like in Kitchener–Waterloo, for instance—the for-profit operators who are delivering home care have increased drastically. This is somewhat of a concern for us, because we do want to make sure that the LHIN is going to be able to seamlessly transition into a more efficient model. Do you share those concerns?

Ms. Christine Reno: Our expectation is that there will be transformation of the structure, and that there will be economies and efficiencies actualized.

Ms. Catherine Fife: Can we just agree, though, that those economies and those efficiencies will not be realized if 40% of the money is still going to administration, bureaucracy and profit?

Ms. Sue VanderBent: Well, I think we have a home care system that's based on quality outcomes—we want that to be the main goal. The home care system is very efficient at this point, with the exception of the large cost of administration.

0930

Ms. Catherine Fife: Administration, okay. Thank you for saying that.

The other piece is around training that the former delegation made—I hear this all the time. Those quality outcomes that you referenced that we're trying to achieve, which we have not fully accomplished—training is a big piece of that. So going forward, the former ask was to at least include training in front-line care operators so that they can deliver quality care. You would echo those at the way?

Ms. Christine Reno: Absolutely.

Ms. Sue VanderBent: We would agree with that.

Ms. Catherine Fife: Thank you very much for being here.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. You have until January 20 to provide us with any written materials.

Ms. Sue VanderBent: Thank you very much.

Ms. Christine Reno: I think we can also provide more of the research and information and data and numbers that you're looking for. Home Care Ontario also has vast amount of that information, if you'd like.

COLLEGES ONTARIO

The Chair (Mr. Peter Z. Milczyn): Our next presenter is Ms. Linda Franklin.

I'll just make note to members of the committee that I think we can do this round of presentation and questions and still have enough time to get upstairs to vote.

Ms. Franklin, you have up to 10 minutes, and if you could please provide your name officially for the record.

Ms. Linda Franklin: Thanks. It's Linda Franklin. I'm the president and CEO of Colleges Ontario. Thanks so much for this opportunity to speak to you today about Ontario colleges' recommendations for the 2017 budget.

As I'm sure you know, 2017 also marks a milestone in Ontario: It's the 50th anniversary of the college system created by the Honourable William G. Davis. It's a tremendous opportunity to celebrate the accomplishments of the college system and our graduates across the province and throughout the world. You'll be hearing a lot more about this anniversary as we head into 2017, but I hope you'll be in the legislature this afternoon for the debate on the motion to make the week of April 3 Colleges Week to start those celebrations in your communities.

It's also, I think, a time to look forward to the future. I think, if we think about how rapidly our world is

evolving, it isn't an understatement to say that strengthening the career-focused programs at Ontario colleges must be a priority. I don't think 50 years ago anybody anticipated the huge and important shift in the economy that would make college education so important to the prosperity of the province.

Today, though, our programs are threatened by underfunding that has reached a really critical stage. Without a significant, long-term investment in colleges, many of our institutions, particularly those mid-sized, small and rural, will not be equipped to educate the workforce of the future.

As we know, we're all in a new age. The World Economic Forum calls it the "fourth industrial revolution." Much as water, steam power, electric power and electronics changed our society in the past, the digital revolution is completely changing our world today at a greatly accelerated rate and leaving people behind. On the one hand, the opportunities for entrepreneurs are enormous and greater than ever—robotics, new breakthroughs in digital technology, artificial intelligence and countless other innovations are making these sorts of advancements possible and making many people capable of delivering more and more advantage to society. At the same time, though, there's a lot of anxiety about the elimination of jobs and the upheaval through our workforce. Young people entering the workforce are worried about job churn and the growth of precarious employment, and our youth unemployment rate remains stubbornly high, even as the Ontario unemployment rate is coming down.

Among those who are already in the workforce, there's also great anxiety as growing numbers of people who have spent years in well-paying careers are now unemployed, or underemployed to make ends meet. The impact of this anxiety is not just in Ontario or Canada; it can be seen through the world. It was key to the Brexit vote in the UK, and growing fears about the economy and jobs were central to Donald Trump's victory last month in the US. We can't ignore what we're seeing or the fact that similar anxieties and fears are all over Ontario, particularly in our small and rural communities.

In this new age, we have to do more than create new jobs. Ontario needs a comprehensive strategy to create high-wage careers that provide people with a real future all across the province. To do that, we have to boost productivity, and that means a more highly skilled and qualified workforce.

The government is taking some really important steps in this direction. We applaud the measures to improve student assistance so that more students are encouraged to pursue post-secondary education from all walks of life, no matter their income levels. This is a very critical piece of making sure that economic recovery benefits everyone.

There's more that needs to be done, though, and that work has to start with support for our colleges. The most urgent priority, as I've said, is the chronic underfunding of college education. At a time when college education is

more important than ever, the reality is that funding for college programs has continued to drop over the years in real dollars. It's largely because the government has only been funding enrolment increases, while cost pressures created by inflation have gone ignored. This can't continue.

In our smaller and rural communities, even in our mid-sized communities, there is stagnant and declining enrolment because of the current realities of demography. It's nobody's fault, but for the next 10 years, we're facing a big demographic shift, and it's putting many of the programs vital to our long-term prosperity in jeopardy.

We recently had a conversation with one of our colleges, who hired, as their CFO, an efficiency expert. Six months into the job, he said to us, "I can't think of another single thing to do at this college."

Several of our colleges have been through rescue programs with the provincial government. A number of them still can't balance their budgets. This is a crisis.

In the 2017 budget, the Ontario government must make a meaningful commitment to long-term sustainability of college education in the province. Our recommendation is that we start by building inflation protection into college operating grants.

Colleges have identified and acted on every opportunity they can find to create efficiencies and share services, everything from bargaining together to shared library services to a joint pension plan. But over the years, it's just no longer enough to keep many of our institutions healthy.

With enrolments trending down because of demography, and cost pressures rising, there simply isn't enough money being invested in our institutions today. We've done our best to maintain cost pressures down. We've met the government's requirement over the past few years for zero increases in salary. In fact, I think we're the only part of the public sector that managed to achieve that.

Unfortunately, going forward, you can see what those cost pressures do. We're expecting a very tough bargaining round in the next go-round. On average, college and university inflation runs at about 4%, largely because of salary settlements. Government can't stand a long-term strike in the college system. It puts young people at risk. So those settlements end up coming mostly from negotiations through binding arbitration.

All these realities have been recognized and addressed for the public school system over the past 10 years. The public school system has kept up with inflation over the past 10 years. Even in last year's budget, government fees have been indexed to inflation, recognizing that you need more money in the system to pay for services that the public requires. It's time to do the same for colleges.

Moving to another issue, the budget also has to ensure that people from all walks of life—now that we have net free tuition, more and more people have access to education, but some of our more marginalized groups really need help when they get to our institutions. It's not enough to give them access; you have to really work hard on their success once they arrive.

As Minister Matthews said on Monday in a speech, we have to do a better job if we're going to build a fair society.

To reach greater numbers of people, the budget should also include increased funding for students with disabilities. If you're identified with a disability right now in K-to-12, you get funding of about \$4,000 a student, and it stays with you through your K-to-12 education. The minute you go to post-secondary education, that funding drops off the face of the earth at the very same time that your parents don't know what you're doing or anything about your achievements because of privacy laws. Those two things create a tremendous challenge for many of our students in the greatest need, and they need to be addressed.

New investments are also needed to deliver college education to indigenous learners. It's the fastest-growing population in Canada, yet its post-secondary attainment rate is still well below the rest of the population. Many colleges in Ontario—and some of you represent colleges that are doing this—have terrific relationships with indigenous communities, are doing great work in this area, and are achieving great things. In fact, the number of indigenous students in colleges pretty much matches their percentage of the population. So we can do more and we should be doing more.

The government's commitment to expand workplace experience opportunities for post-secondary students is another really important initiative, but there needs to be improved funding to achieve this because we really have to convince more employers to step up, and we probably have to look at more simulations to make sure every student has access to that.

Last but not least, certainly, are two other things we would ask you to look at in our budget submission. One is apprenticeship reform. We have been talking about this forever. It really needs to change, and we'd really like you to look at some of our recommendations. They don't cost much money. It's really about transparency and access of opportunity.

Finally, our college system can play a greater role in our efforts to reduce carbon emissions. Investments in building renovations, new programs that provide people with skills and expertise in this area, and community engagement with businesses will help achieve these goals.

Because the college system works so well together as a system, a relatively small investment in colleges doing this could mean that colleges can lead this initiative for the province and make a difference right across the province all at one time.

Thank you very much for the opportunity to present our recommendations today. I look forward to your questions.

The Chair (Mr. Peter Z. Milczyn): Thank you. Mr. Dong, you have up to five minutes.

Mr. Han Dong: Good morning, Linda.

Ms. Linda Franklin: Good morning.

Mr. Han Dong: It was great to hear the presentation. It's good to see you again.

0940

You mentioned the new OSAP that's going to increase access to college and also increase access to college, especially for under-represented students. How do you see that will improve the number of graduates—

Ms. Linda Franklin: Coming through the system.

Mr. Han Dong: Coming through the system, yes.

Ms. Linda Franklin: It will take a little while, just like Second Career. Second Career ran for a few months, and it took a while for people to understand and get in their heads, "I can do this; I can get there."

This will take a little while too, but the reality is, every time we talk to young people about the barriers to post-secondary education, they always say, "It's financial." And it shouldn't be in college; college is cheap. You can work at a relatively low-paying job and afford college. So it's not just about tuition. There's something more complicated going on, and we think it's partly, "I'm worried about debt because I've seen it in my family. I'm not really sure about the ROI of this. Will I ever make up the money?"

I think it's a complicated financial question, and I think this is a very elegant solution to that. When students see a bill—and many of our colleges are piloting with the government to try to do this. You see a bill, and instead of seeing, "Oh, my God, here's everything I owe. How will I ever pay that?", you're going to see what you actually owe after OSAP and grants and all sorts of other things are attached. Those bills will be unbelievably reduced. For students in college whose family income is \$80,000 or less, it will be virtually free for them. I think that removes a ton of barriers all at once that we maybe don't even understand all at once. So I do believe it will make a big difference in accessibility.

Mr. Han Dong: In your view, how are the colleges going to work with—I know you're working with employers and other employment service providers. What can we do to improve the access to jobs for our graduates? Is there anything that we can do to help them set a goal even before graduation?

Ms. Linda Franklin: The good news, Han, is that we just finished a round of discussions on this year's coming key performance indicators, and it looks like the college employment rate out of school will be about 90% this year.

Mr. Han Dong: Wow.

Ms. Linda Franklin: Not so bad. So the first thing I'd say is, "Go to college."

The other thing is, as I say, we still bring students in who, when they graduate, have no network to help them. Their parents aren't on the phone calling their friends and saying, "Is there a job? My son just graduated in this. Listen, my daughter has a degree or a diploma in that. Can you help? Do you have space in your place?"

For lots of families, this is the first generation that has gone to post-secondary, and they don't have those networks. The government has been talking a lot—we all have—about experiential learning as partly a substitute for that: "If I can't network when I get out, if employers

can see me work through my time, that becomes my network. People become interested in me."

It's one of the reasons we think—in colleges right now, about 68% to 70% of our programs have experiential learning. We can get that to 100%, I think, with a relatively minor investment, and that will make a great deal of difference.

Mr. Han Dong: That's great. Thank you, Chair. Thank you, Linda.

Ms. Linda Franklin: You're welcome.

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. Franklin. You have until January 20 if you wish to provide some further written information to the committee.

Ms. Linda Franklin: Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Members of the committee, there is a vote in 10 minutes upstairs. I leave it up to your advice as to how you want to proceed. I don't know how long that vote will take and I don't know if we will then have enough time to proceed to the next witness and have a full round of questions before the 10:15 mark. Ms. Fife?

Ms. Catherine Fife: I think we should just continue through here. You have enough members in the House, don't you?

Mr. Han Dong: Do you know?

Ms. Catherine Fife: Has your House leader—
Interjection.

Ms. Catherine Fife: We do; we have enough members in the House. My House leader—

The Chair (Mr. Peter Z. Milczyn): The standing orders are that committee should suspend to allow all members to go and vote.

Ms. Catherine Fife: Then it's not up to us, right? So what time should we go, then?

The Chair (Mr. Peter Z. Milczyn): I was just asking whether—we have a decision to make whether we attempt to allow the next witness to complete after this vote and after we come back or whether you feel it would be better to try to reschedule the additional witnesses for this morning, later on in the process.

Ms. Catherine Fife: Well, they're here today, so I think that—do we have to end at 10:15 if we go to do the vote?

The Chair (Mr. Peter Z. Milczyn): Yes, we have to end at 10:15.

Ms. Catherine Fife: We'll have to reschedule, then.

Mr. Yvan Baker: Is there an option, Chair—I'm just trying to explore options. One option would be to shorten the time we have for questions. Is that an option?

The Chair (Mr. Peter Z. Milczyn): Well, that would be up to the official opposition, whether they agree to that, because they're the next ones doing questioning. If they're willing to give up their time to question or shorten it.

Mr. Toby Barrett: We have a deal.

Ms. Catherine Fife: That's fine.

The Chair (Mr. Peter Z. Milczyn): All right. What I would suggest we do now is recess until after the vote. I

would encourage every member to come down to the room immediately after the vote.

I would ask our witness to be patient. We will be back immediately after the vote.

We're recessed for about 15 minutes.

The committee recessed from 0945 to 0959.

The Chair (Mr. Peter Z. Milczyn): I'll reconvene the meeting this morning for pre-budget consultations.

ONTARIO CONVENIENCE STORES ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Mr. Bryans, you're our next witness. You will have up to 10 minutes for your presentation, followed by up to five minutes of questions from the official opposition. If you could please state your name for the official record.

Mr. Dave Bryans: Good morning, everyone. I'm Dave Bryans. I'm the CEO of the Ontario Convenience Stores Association. It is great to have this opportunity again to present to this committee. I believe this is the second time this year that I've presented to this committee.

Today I'm going to touch on one issue that you're all familiar with, and that's contraband tobacco. I'm also going to present a budget proposal for the establishment of a new mandatory age verification training program that we call "Smart Age." This program takes inspiration from the Smart Serve model and proposes to not only alleviate the regulatory strain that small business members are under but to help increase public confidence in the recent government decision to allow new age-restricted products such as e-cigarettes and also, potentially, marijuana in the marketplace.

Before continuing, however, I'd like to remind the committee of the OCSA's importance to the Ontario economy and highlight some of the strain our channel is currently under. There are currently just under 9,000 convenience stores in the province. When I took this role over 13 years ago, there were almost 11,000. We interact with 2.7 million Ontarians each and every day. We collect \$3.8 billion in tax revenue for the Ontario government, and in 2014 we accounted for \$2.6 billion in lottery revenue for Ontario. We are an \$18.5-billion industry and we support over 65,000 jobs.

On age verification, I'm happy to report that our members continue to operate at an exceptionally high level of compliance. Public Health Ontario's own numbers show that out of the 20,000 to 22,000 inspections they perform on our members every year, last year we passed at a 95% rate, using the government's own data. We of course would like that to be 100%, but it's a great number that we can build off of, and it probably challenges some of the public perceptions about our channel.

Despite these numbers, our industry is struggling. For the first time since the OCSA came into existence, there are fewer than 9,000 stores. We are losing an average of 200 stores per year in a pretty vibrant Ontario economy. There are a number of factors for this. Margins are

extremely small and shrinking under pressure from suppliers, and our stores continue to struggle under the restrictive regulatory regime. On this point, and for your information, a Toronto-based convenience store is currently subject to 183 regulations: 52 federal, 89 Ontario and 42 municipal. This imposes both direct and non-direct costs on our low-margin businesses.

Competition with our channel is increasing. Vape shops, drugstores and other channels continue to divert our traditional customers away from us. Beer and wine have been awarded to large grocery, and once again customers are being provided less reason to frequent their local convenience store. Finally, our destination-category products, those that drive traffic in our stores, are declining in popularity.

We have long held that Ontario needs the convenience sector, not only because of its direct contributions to tax revenues, employment and general economic activity, but because our unique value proposition is "convenience and community." We see our members as community builders, owned and operated by families and many new Canadians. Our members develop real relationships in their neighbourhoods, providing a welcoming place to socialize and a place for a safe refuge in some of the more dangerous areas.

That intangible quality of our sector is the reason for our industry's resilience. It is also the foundation of what will propel us forward. We hope that with your support, we can continue to promote a more positive image of the industry to the public.

I want to begin by touching on contraband tobacco. It is an area where government and our sector intersect in a significant way. As committee members are aware, convenience stores account for about 96% of all legal tobacco sales in the province of Ontario. Because of this function, we are an important tax collector for the government. We are also the front line of youth access to these dangerous products, and are rightly subject to intense public scrutiny. We take that responsibility very seriously.

Our industry was encouraged by the government's recent work on illicit tobacco. Earlier this year, the government announced new funding for enforcement. In the recent economic statement, the government committed to enhancing tobacco retail dealer permits, as well as proposing additional amendments to the Tobacco Tax Act and regulations to further enhance its raw-leaf oversight.

While encouraged by the continued attention to the problem, we don't feel that either of these will have a material effect on the contraband market. What's more, adding more regulation to our already overburdened channel through an enhanced permit program is a frustrating response that will further punish our members while ignoring the real root problems.

And yes, despite government's renewed attention, usage rates continue to go up. Earlier this week, the OCSA released a study that showed that overall contraband usage is up 8%, from 24.6% a year ago to 32.8%

across the province. These results show that almost one in three smokers in Ontario are still using illicit tobacco products. Particularly concerning is the numbers of contraband cigarette butts that are uncovered near and around high schools in Ontario.

I'd be happy to share this report with any MPP who may be interested. We can send it to you.

The only way we see Ontario being able to dramatically reduce the prevalence of contraband tobacco—and I've said it at this committee before—is to amend the Smoke-Free Ontario Act to mirror the Ontario liquor act. These changes would make purchasing, consuming and possession of tobacco a ticketed offence and, for the first time, provide a serious disincentive for youth to take up this habit.

We cannot continue to normalize this behaviour. People would be shocked to see a 15-year-old drinking a beer in the middle of the street by a high school, yet there are zero repercussions should they be smoking a cigarette.

We do not want to demonize youth as part of this initiative. However, there need to be some greater deterrence measures in place. I've always said that if we had changed this behaviour years ago, no one would be smoking cigarettes next to a high school.

While a growing contraband tobacco market is bad business for my members, it is also a concern to me as a father and as a grandfather.

In the OCSA's opinion, the government has yet to get it right on contraband, and I want to communicate that our sector is eager to work with government on that — always has been—for the benefit of all affected stakeholders. We're here to help.

The next item I would like to bring forward is our proposal for a new mandatory, universal age verification program we refer to as "Smart Age," a program that would guarantee that anyone who handles an age-restricted product in the retail environment will be properly trained and certified to dispense it responsibly.

The act of requesting legal documentation to authenticate the age of a patron wishing to purchase tobacco and lottery products at a convenience store is one of the most important things our workers do on a daily basis. Without proper training, clerks at these stores could inadvertently be affecting the long-term health and well-being of youth.

In addition, the act of age verification is an important factor in our members' relationships with their community and, at a macro level, our entire industry's level of trust with the public.

I mentioned in the introduction that the government's own numbers show that our members are passing age verification checks at 95%. Part of the reason for this success is public health's diligent enforcement of the rules and regulations under the Smoke-Free Ontario Act. It is true that Ontario convenience stores are heavily regulated and subject to some of the most punitive fines and penalties in North America.

Another part of the reason for our industry's success in age verification is the OCSA's own age verification

training program called We Expect ID. We Expect ID was created in 2007 and is currently used in 8,000 stores. The program uses a modern multimedia delivery method, is provided in English, French and Korean, and requires that clerks be trained and certified before they are eligible for employment at one of our member stores.

While we're proud of the success of this program, gaps still exist and the system is not perfect, and we are finding we can no longer do it alone.

Our vision is for each of the approximately 75,000 clerks and retailers who handle age-restricted tobacco, e-cigarettes and, soon maybe, marijuana products in Ontario, across all retail channels to be properly trained and certified through a government-mandated program administered by a self-sustaining, arm's-length, not-for-profit entity similar to Smart Serve. We think the benefits would include the following:

- increased public confidence in Ontario's various retail channels;

- increased public confidence in government's decision to legalize and regulate e-cigarettes, vapour and marijuana products;

- better protection for small business retailers who currently must apply their own training programs in a high-turnover employment environment at their own cost;

- reduction in youth usage rates of tobacco, e-cigarette products and marijuana products;

- subsequent reduction in overall smoking rates over the long term;

- reduction in the number of addicted youth in the health and mental health care system;

- setting an example for the world on how legal marijuana products can be introduced and responsibly dispensed in a North American jurisdiction; and finally,

- increased economic viability for Ontario small retailers and businesses.

The "Smart Age" agency would be governed by a board of directors that would be appointed by the government and include representation from small business retailers, NRGs and government and would be responsible for setting mandates, managing the operating budget and updating training modules. The goal for the agency will be to become fully self-sufficient from a funding perspective by year 5 of the operation. The costs associated with launching and operating this agency will be assumed by the province for the first four years. The one-time cost to government we estimate to be approximately \$2 million per year—

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Bryans. That's your 10 minutes.

1010

Mr. Dave Bryans: Wow.

The Chair (Mr. Peter Z. Milczyn): I do want to make sure that there are five minutes for questions.

Mr. Dave Bryans: Okay. Not a problem.

The Chair (Mr. Peter Z. Milczyn): Mr. Fedeli.

Mr. Victor Fedeli: Thank you very much, Dave. First of all, thank you very much for being here and for the

service that you provide. It really is an interesting perspective that you bring. When you talked about sharing the data on contraband tobacco—I would ask, Chair, that we ask the association to provide that data as part of their submission for all members to see.

Mr. Dave Bryans: Sure. We'll send it to the Clerk.

Mr. Victor Fedeli: That would be my ask.

I ask you this every year, because I know you pick up the cigarette butts—well, not you personally—in my hometown of North Bay. Can you share the comparative data from the high schools and the hospitals, if you have it off the top of your head?

Mr. Dave Bryans: I don't have it. I'll give you some numbers. Northern Ontario has gone to almost disastrous levels in the province. And we do sweep high schools, malls, racetracks, casinos—wherever people congregate. Let's look at Sault Ste. Marie. In Sault Ste. Marie, it's now at 75.5% illegal cigarettes in the sweep. If you take the Station Mall—I don't know what it is, but I hear it's the main mall in Sault Ste. Marie—the day we swept, 90% of all butts that we swept were contraband.

Mr. Victor Fedeli: Describe what you mean by "swept the butts." People may not understand.

Mr. Dave Bryans: We send a team in with vests, and they look like they're the caretakers of the premises. They go to the ashtrays and collect all the cigarette butts. We need to collect 100 to 120 to have a proper sample. We send them back to the lab, and then they're analyzed by the icons on the filters—du Maurier has an icon; even DKs and Putters from the reserves have icons. We have a catalogue that would choke you of pictures of all illegal and legal products in this province.

If there's no icon and we can't identify it, we either throw it away—but if it's long enough, you actually take a yellow highlighter and you can run it along any cigarette. If anyone smokes, just do it when you're outside today. If you're smoking a legal product, you'll see little circles. This is called a low-propensity paper, which the three manufacturers, federally, must use in Canada because, back in the 1970s, if your grandfather fell asleep and left a cigarette in the ashtray, it burned right to the end, fell off and burned the couch down, or burned the house down, potentially. So that is by law. On reserves—in the 50 illegal factories, there is no usage of low-propensity paper. They're just using the paper of the 1960s and 1970s, so you'll just get a straight line with no stop points in the product.

It's pretty unscientific. We've been doing it for seven years. But keep in mind that people who sell illegal cigarettes don't tell you, and there are no studies—I asked finance this week, "Do you have any studies about how bad contraband is?", and I think I had deer looking in headlights together. Finally, we also know that smokers don't admit it. Well, they're starting to. I've read a lot of media this week where everyone's saying, "I'm buying it because it's \$5 a pack." There's a lot of frustration.

We're at epidemic levels when you look at northern Ontario. When you can say that 54% of all people in all

these communities in northern Ontario are now smoking illegal products—remember, it's still 21% here in Toronto. The closer to reserves, the higher propensity to be smoking it. And high schools are just a mess—the ones we poll out of certain communities would shock you, the numbers today.

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett?

Mr. Toby Barrett: Thank you, Dave. Yes. We hear what you're saying on perhaps changes to underage purchasing, consuming, possession of tobacco and your search for new markets, and all of this is dependent on government policy. You're the legal trade. Your stores, your business, is being destroyed by organized crime. Ontario has the dubious distinction of being—internationally now—a centre of organized crime for illegal tobacco.

In my little constituency office in Simcoe, I have film crews come up from Guatemala and Costa Rica and from Mexico. Reforma newspaper came up a year ago to interview me. Costa Rica: another film crew is on its way to Queen's Park. I think their interview was today. They were stopped at the border for some reason.

The illegal, international organized crime involvement in tobacco, much of it grown in my riding, is huge. It's putting you out of business. That is also the mandate of both the provincial and federal governments. Any comment on this? I know that much of this is kind of rearranging the deck chairs on the Titanic.

Mr. Dave Bryans: Yes, I'll give you a quick response. First, the RCMP has said that there are 50 illegal tobacco factories now in Ontario and Quebec.

Mr. Toby Barrett: Fifty?

Mr. Dave Bryans: Fifty. And there are at least 175 organized gangs and organized cultures that are delivering contraband to every community. That's why it's growing in leaps and bounds. Lastly, most busts that you see or most confiscations in Nova Scotia, New Brunswick, everywhere, are sourced out of Ontario production facilities, so—

The Chair (Mr. Peter Z. Milczyn): Mr. Bryans, I have to stop you there because of the time. But thank you for coming this morning and for your patience. You do have until January 20 if you want to provide us with further written materials.

For the information of the committee, should Bill 70 pass second reading later this morning, we will reconvene at 1 p.m. in this room for public hearings on Bill 70.

We're recessed until 1 p.m.

The committee recessed from 1015 to 1300.

The Chair (Mr. Peter Z. Milczyn): Good afternoon, committee members. We are meeting this afternoon for public hearings on Bill 70, An Act to implement Budget measures and to enact and amend various statutes. As ordered by the House, each witness will receive up to 10 minutes for their presentation, followed by nine minutes of questioning from the committee, or three minutes per each caucus.

Are there any questions before we begin? Ms. Fife.

Ms. Catherine Fife: I'm just curious. This piece of legislation just passed second reading an hour ago. I'm

wondering what the process was to select the order. Was it first come, first served? It's great that we have a full docket—that's a very good sign—but I would just like some clarity on how the selections happened and the priority.

The Chair (Mr. Peter Z. Milczyn): The Clerk can explain what their efforts were.

The Clerk of the Committee (Mr. Eric Rennie): Sure. As you know, the time allocation motion on Bill 70 did carry yesterday, and the time allocation motion set out that for requests to appear, the deadline would be 1 p.m. today, so we had been receiving requests up until 1 p.m., and also that witnesses be selected on a first-come, first-served basis. So, as we've been receiving phone calls and email requests, we've been taking those down in order, and that's the list we were able to go off of to call people afterwards.

Ms. Catherine Fife: And this is the only day that we're going to have hearings on Bill 70?

The Clerk of the Committee (Mr. Eric Rennie): Based on the time allocation motion from the House, yes.

Ms. Catherine Fife: Can you clarify: How many hours was the allocation? How many hours did we debate Bill 70 at second reading?

The Clerk of the Committee (Mr. Eric Rennie): I'm not sure. I'd have to look.

Ms. Catherine Fife: Okay. We'll find that out before—but you can understand that there's a process. There's a valid question about process—

The Chair (Mr. Peter Z. Milczyn): Ms. Fife, if you have a question, that's fine. It's not time for a statement.

Ms. Catherine Fife: My question is, if there are additional names that came forward, against all the odds and timing and process around time allocation—if there are additional people who would like to come and speak to Bill 70, is there a way for us to ensure that they have that opportunity?

The Clerk of the Committee (Mr. Eric Rennie): As the Clerk of the Committee, I do follow the orders of the House, which are for this day to be set aside for public hearings for five hours this afternoon, and I scheduled presenters as indicated by the order of the House.

Ms. Catherine Fife: And we have clause-by-clause on Tuesday. Is that in the order as well?

The Chair (Mr. Peter Z. Milczyn): Yes.

Ms. Catherine Fife: Is it scheduled for the entire day on Tuesday?

The Chair (Mr. Peter Z. Milczyn): I believe so—yes, at 9 a.m.

Ms. Catherine Fife: Okay.

The Chair (Mr. Peter Z. Milczyn): And people have until 6 p.m. today to make written submissions.

Mrs. Martins, you have a question?

Mrs. Cristina Martins: Yes, thank you, Mr. Chair. That was my question, as to whether or not those who were not able to be here today would have an opportunity to provide a written submission. You answered my question: They have until 6 o'clock today. Thank you.

The Chair (Mr. Peter Z. Milczyn): Any further questions before we begin? Mr. Baker.

Mr. Yvan Baker: I guess I just wanted to add in the context of the discussion that we just had that I think the initial intent or the initial plan was for this not to be as rushed and for there to be more time for witnesses to speak. But because a motion was introduced by the NDP, that delayed the bill and the movement of the bill through the Legislature. That's why this time allocation had to be introduced, and that's why we're moving at the pace we are.

Ms. Catherine Fife: Point of order. You're out of order to say that—

The Chair (Mr. Peter Z. Milczyn): We're in questions now, not making statements—

Interjections.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife?

Interjections.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife, I was in the process of saying that we are not making statements now—if there are questions around the procedure of this hearing.

Are there any further questions? I see none.

ONTARIO CRAFT DISTILLERS ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our first witness is with the Ontario Craft Distillers Association. Good afternoon, sir. Please come up. You have up to 10 minutes for your presentation, following which there will be questions from each of the caucuses. As you begin your remarks, if you could please state your name for the official record.

Mr. Charles Benoit: Thank you very much. My name is Charles Benoit. I'm the president of the Ontario Craft Distillers Association and the co-founder of Toronto Distillery Co. I am here today to speak about Bill 70's schedule 1's distillery tax as well as the promotional allowance.

Our association was extremely disappointed when we saw this bill introduced in the House. We felt it was a betrayal of at least two years of advocacy with the Premier's advisory council. We had spent a great deal of time speaking with them, educating them about our businesses and how they work, and giving them detailed business information in terms of cost of goods sold, the economics of small-scale distilling and what had worked in jurisdictions across Canada and the United States.

We understand that there is always going to be a give and take in the rate, but we really conveyed two fundamental principles of taxation that are necessary for our industry to exist, and they happen to be the same two principles that this province has successfully adopted for small microbreweries.

Those two principles are, one, graduated tier taxation. With beer, there's a lower tax rate on the first 50,000 hectolitres and then a higher tax rate for subsequent production. This is not at all unlike our income tax. You tax based on a taxpayer's ability to pay.

The second principle was a tax-by-the-litre approach as opposed to an ad valorem approach based on the list price of the goods sold.

Regrettably, both of these principles were ignored. We really explained that an ad valorem tax, especially of 61.5%, as proposed in this bill, is inherently discriminatory against small producers, who, by definition, don't have economies of scale and so, by definition, will have a higher cost of goods sold on each and every bottle.

These two principles were clearly presented to the Minister of Finance and clearly rejected resoundingly.

We feel that this tax further betrays principles of good taxation. It's insanely complex. We have 16 members in our association, all small and independent businesses, and we had trouble figuring out exactly how this tax would work and apply. We came to different numbers when trying to work through the complex series of steps, because there are multiple aspects to the tax.

We were further disappointed by this 1,250-litre promotional allowance, which is not something we ever asked for. We actually feel that it tilts the competitive field even further against small-scale distilling than it already is. To give away 1,250 litres of spirits tax-free is an astronomical amount for most of our members. For the Toronto Distillery Co., that was a quarter of our sales through the LCBO last year. By choosing that number, it's actually a tax giveaway to the biggest spirits producers in this province, at the expense of small producers.

We feel that it was actually especially mean-spirited, even, to say that the government is willing to write off that much tax revenue from every distiller but only if we can give it away. We can't use any of that 1,250-litre tax-free allowance if we actually try to sell what we made from scratch. That was particularly spirit-crushing, if you will.

Finally, I just want to get it into the record that I do think that this bill is pivotally important for how to shape the future of distilling in Ontario. Jurisdictions like British Columbia now have an incredible diversity of spirit producers. They've got distilleries across the province that are making unique, interesting new offerings from local inputs. That's not going to be viable in Ontario anymore. This is the end of that business model.

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The minister will say, "Well, on a \$27 sale, it's an extra dollar and change from what you were getting before." Well, there are hundreds of prospective distilleries that were waiting for a "What's next?" to get started. Those will not be launched. Speaking for our own business, we've announced that we'll have to close January 31, because our runway is out. We've been sort of treading water for two years hoping for the reform that we were made to believe is on the way, and that's gone now too. In the future, Ontario is just going to miss this renaissance.

It's troubling to hear the minister take credit for the fact that a lot of new distilleries have come online in recent years. That reason is entirely because of competition, meaning the companies that manufacture distillation

equipment. About 10 years ago there was a handful. Now there are dozens explicitly directed at small-scale distilleries, so the costs of entry in terms of the equipment you need to start a small distillery have come down from well over a million dollars to \$50,000 for a basic bootstrapping distillery, but one that's functional and one that you can get started with. That's why we've seen this boom across North America.

Unfortunately, this bill will end that in Ontario. What industry remains will just be bottling within the majors. It won't be as interesting to consumers, and it will just re-trench the existing hierarchy.

I'm happy to answer any questions about that.

The Chair (Mr. Peter Z. Milczyn): We'll start this round with Mr. Fedeli for three minutes.

Mr. Victor Fedeli: Thank you very much, Mr. Benoit. I'm distressed, to say the least, to hear that you, quite frankly, may be leaving on January 1.

Mr. Charles Benoit: On the 31st—that's right.

Mr. Victor Fedeli: January 31.

Mr. Charles Benoit: And it's certain, if this bill passes. There's no question about it.

Mr. Victor Fedeli: How long have you been in business?

Mr. Charles Benoit: Four years.

Mr. Victor Fedeli: How many employees do you have there?

Mr. Charles Benoit: Six, all in their twenties.

Mr. Victor Fedeli: Thank you. So next week, there's an opportunity for amendments, and the PCs plan on bringing forth an amendment that would take the 1,250-litre tax exemption on spirits sold, not just what is given away for free. We're proposing that this change would only apply to the small producers. Is that something that would help you stay in business after January 31?

Mr. Charles Benoit: Absolutely, yes. That would be terrific. Assuming a \$40 average bottle price, that's about \$24,000 in tax revenue. The government is already willing to part with that money if a distillery happens to be able to afford internally to give their product away for free. As I said in my remarks, we can't, but if we could sell even the first 1,250 litres and have that incubation period, it would make a big difference. That \$24,000 is our rent for more than half the year, so that's life-changing. That's the difference between carrying on and not carrying on.

It's a small fraction of British Columbia, where there's no tax collected on the first 50,000 litres. We really view that as a gold standard. But to your point, 1,250 litres would make the difference between small-scale distillers hanging in there and not.

Mr. Victor Fedeli: So other than you, Mr. Benoit, who will leave the business world on January 31, are there others like you? Are there other craft producers?

Mr. Charles Benoit: There are. There are a number that started with a great institution, Futurpreneur. CYBF has financed three distilleries alone. These are young entrepreneurs, so these were distilleries that didn't start with deep pockets, with millions of dollars to ride out this

tax period. I would expect that the smallest will be the first to go.

For a lot of distilleries in northern Ontario, one thing the minister pointed to was, “Well, there are these grants available.” Those grants may have been a curse in disguise, because those grants enable large investments for start-up equipment. You often have to match that grant, so a lot of debt was taken on, with the expectation of reform.

I worry about those smaller distilleries as well that had some assistance in getting started, but on a business plan that tax reform never followed through to make viable.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife.

Ms. Catherine Fife: Thanks for coming in, Mr. Benoit. How much time did you have to make the decision to come down here to the committee?

Mr. Charles Benoit: About 78 minutes, I believe it was.

Ms. Catherine Fife: Just 78 minutes. Thank you very much for that.

Thank you for raising the issue around why the small-scale distillers have been successful to date. I know it hasn't been easy.

The equipment piece is actually new information for a lot of us. If your distilleries go out of business, then obviously those other sub-businesses who are manufacturing distillery equipment—it would impact them as well, yes?

Mr. Charles Benoit: Absolutely. We've got some small welding businesses that are starting to get into it. I think those are businesses that will never happen. There's a whole ecosystem of small businesses that we work with that are going to be adversely affected.

Ms. Catherine Fife: Thank you. Can you describe the relationship that you have with local farmers, the agricultural sector? Because obviously without—you're distilling grains, right?

Mr. Charles Benoit: That's right. That's a whole element to whisky, which the traditional major labels have really—they lose that connection. They operate at such tremendous scales. There has been so much concentration in the industry over the last 130 years that that connection is, at this point, lost.

In wine, we still take it for granted that there's a terroir, there's a connection to the soil, to the land, to the place. A lot of small distillers are bringing that back for whisky. Again I point to British Columbia, where there's a connection: The distiller knows the farmer. The whole tremendous value-added supply chain is extremely localized, and it's actually bringing new life to the category, but we're going to miss out on that in Ontario.

Ms. Catherine Fife: Just to go back to the process: You were working with the Premier's advisory council for two years?

Mr. Charles Benoit: That's right.

Ms. Catherine Fife: Two years.

The issue of graduated taxation: It took a while to get it right with beer, with the craft brewers. Was there ever a

point in time where this government said, “We will not consider graduated taxation for small craft distillers”?

Mr. Charles Benoit: No.

Ms. Catherine Fife: Is there any rationalization that you can give us—because we cannot get an answer from the government side on this. Can you give us your thinking on why they imposed this 61.5%?

Mr. Charles Benoit: I don't know. Their stated reason has sometimes been trade agreements, which are patently false. We've pleaded with the government. We actually pleaded with Ed Clark—day 1—because we knew that this was going to be a potential bogeyman that they would raise: “Give us the chance. Let us hire our own expert witness to rebut any trade claims.”

They routinely cite NAFTA ambiguously, but they'll never give us a specific provision or article. I have to note that Ontario has a history, going back to the 19th century, of helping out a few at the expense of competitive opportunity. That's something that is certainly true in the spirits industry.

I would like to understand why we haven't heard from Spirits Canada. They seem to be pleased as punch with the status quo—

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Benoit. Now on to the government side for three minutes: Ms. Martins.

Mrs. Cristina Martins: First of all, thank you, Mr. Benoit, for being here today on such short notice and for speaking on behalf of the industry. As the MPP for Davenport, I'm proud to represent Younghurst, who I had the opportunity to meet with earlier this year in the summertime. I brought the concerns that were shared by Younghurst with me to the minister here. So he is well aware of the issues that you've raised and the issues that the industry itself has raised.

Although we have seen some changes, I'm hoping that, just as we did for the craft brewers, this is really a step in the right direction versus regressing and just keeping things status quo. I know that there are some amendments that are being made and some changes for the spirit manufacturers' sales of products at their on-site stores and helping attract new customers and grow their businesses through promotional distribution. I know that means a lot to the craft distillers.

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If approved, on July 1, 2017, the distillery tax structure would replace the LCBO markup and commission structure which applied on sales at on-site distillery stores. This tax structure would result in improved margins for distillers at their on-site stores. Currently, the distillers receive about a 13% commission for sales at their on-site retail stores. Under the proposed tax structure—recognizing that it's not where you want it to be—distillers would receive a margin comparable to a 20% commission. Is this something that you agree will help improve your profit margins?

Mr. Charles Benoit: I can't accept this. I want to get on the record that, under this new tax, if we sell a bottle for \$10.92, the government of Ontario wants to add

\$11.14 in tax to that. To be clear, under the bill that your government is introducing, your expectation is that Ontario should get more in tax than we gross on the first bottle we sell from where it was made. These are the numbers from the Ministry of Finance: On a \$26.95 bottle, the revenue distribution is \$10.92 to the small, independent distiller; \$11.14 to the government of Ontario; \$4.69 to the government of Canada; and a 20-cent container deposit. These are the numbers from the Ministry of Finance.

Under the previous system, businesses didn't exist, so there was a handful of us that took the plunge, expecting reform, and then—I've personally spoken and other distillers have personally spoken to dozens of prospective distillers in Ontario waiting for reform because they've crunched the numbers, and under the markup and commission scheme, those didn't work at all. If you want to celebrate that this is going to leave an extra \$1.60 in the distillers' side of the equation over the previous one, that's your right, but we as the industry are telling you that, in fact, combined with the 1,250-litre allowance, you've left us in a worse competitive position than we were before.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Benoit. That's all the time. If you wish to make a written submission, you have until 6 p.m. today.

ONTARIO FEDERATION OF LABOUR

The Chair (Mr. Peter Z. Milczyn): Our next witness is with the Ontario Federation of Labour.

Mr. Rob Halpin: Good afternoon.

The Chair (Mr. Peter Z. Milczyn): Good afternoon. You have up to 10 minutes for your presentation, followed by questions. Your round of questions will begin with the NDP. As you begin your presentation, if you could please state your name for Hansard.

Ms. Patty Coates: Perfect. My name is Patty Coates and I'm the secretary-treasurer of the Ontario Federation of Labour. Joining me today is Rob Halpin, our acting director of government relations at the OFL. A special thank-you to the Clerk's office for their work in scheduling time for us to present to the committee today.

The Ontario Federation of Labour represents 54 unions and one million workers across Ontario. We are Canada's largest provincial labour federation, and we advocate on behalf of all working people in the province.

Part of this advocacy involves pushing for better working conditions in regard to safe and healthy workplaces; access to permanent, full-time work; good wages and benefits; and creating an economy built on decent jobs.

We are here today to express our concerns with schedule 16 of Bill 70, the Building Ontario Up for Everyone Act (Budget Measures), 2016. Our concerns with schedule 16 stem from the fact that any changes to the Occupational Health and Safety Act that will affect the safety or well-being of workers in this province deserve considerably more time, attention and consultation than has been permitted with this proposed legislation.

As background, I'd like to share some facts with you. According to the WSIB By the Numbers statistical report for 2015, the WSIB served more than 5.3 million workers and more than 300,000 employers and registered almost 230,000 claims. Now, we know that every day in Ontario, many more workers are injured on the job and either fail to file their claim or their claim is suppressed by their employer or denied by the WSIB. Our best estimate is that the failure-to-claim or claim suppression rate may be between 20% and 60%. Even with a conservative estimate of 40%, that totals nearly 322,000 workers who are injured while at work in any given year.

To put that into perspective, that is about the size of the population of the city of London, Ontario, every year, that are injured or become ill as result of the conditions in which they work. Clearly, the potential that so many Ontarians would be adversely affected is alarming, and should give pause for thought about the merits of these proposed changes. To see those proposed changes tucked into a compilation budget bill does not instill confidence in the minds of workers in Ontario that their safety at work matters or is being considered.

The amendments give the Chief Prevention Officer expanded powers to accredit and set standards for health and safety management systems and an accreditation program. There was little to no discussion, consultation or involvement of joint health and safety committees, or of workers or unions, even though those were the recommendations of the Expert Advisory Panel on Occupational Health and Safety, which stated clearly that accreditation "be developed—with participation of both employer and labour stakeholders." Even if the government plans to consult after schedule 16 becomes law, it may be too late to understand the impact these changes will have on Ontario's workplace health and safety policies and procedures.

The Minister of Labour and Chief Prevention Officer signalled that employers who met these yet-to-be-determined standards would be spared the "burden" of routine Ministry of Labour inspections, but that inspectors would still investigate complaints and incidents. To their credit, once they realized that the optics of viewing health and safety practices as a burden was not sitting well with the people of Ontario, the minister's office acknowledged the error and clarified their intent.

If the system that regulates the health and safety of workers in Ontario is predicated on reducing the perceived burden on employers, the result would be a system with less oversight and accountability, less protection and less ability for workers to voice their concerns. Should schedule 16, as written, be enacted, what will actually occur is a transfer of burden to working people, who must now, with limited input, trust and hope that their employer values the safety of workers over profitability and efficiency. Workers must have the right to participate in their own health and safety, and that includes being consulted on changes that have the potential to limit that right.

These concerns are not just the concerns of unions. They are indicative of how the broader public feels about

this issue, too. The people of Ontario need to know that when their children, grandchildren, partner or parent goes to work in the morning, they will return home unharmed at the end of the day. Families in Ontario want to know that the people whose job it is to care for others, like nurses, personal support workers and those who educate—and all workers, for that matter—feel safe and secure while they work.

I ask you to remove schedule 16 from budget Bill 70, and that a robust and comprehensive consultation on the issues occurs before any legislation is tabled on the matter.

I thank you for this consideration.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Ms. Fife, you have three minutes.

Ms. Catherine Fife: Thank you, Patty and company, for coming in on such short notice.

We did try to remove schedules 16 and 17 from this finance bill, because we share your concerns that these are really substantive changes to the labour movement, and to labour relations, actually.

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I just want to let you know that in the briefing that we had with Ministry of Finance staff, we did ask about consultation, because, as you rightly pointed out, the expert panel recommended that any changes going forward have all voices at the table. The ministry, from the Chief Prevention Officer's office, told us that they did consult internally, which some might argue is not true consultation.

Yesterday I asked a question around this very issue, and the Minister of Labour said that these accredited health and safety management systems have been applied in other jurisdictions and that they work very well and they save money. But we have evidence where they actually don't work very well because profit becomes the driver in this. Do you want to comment on these systems, if you will?

Ms. Patty Coates: I'm going to pass it over to Rob Halpin to answer the question.

Mr. Rob Halpin: Thank you very much for the question. Certainly, the Ontario Federation of Labour has been quite interested in understanding the scope and breadth and depth of these management systems and the effect that they would have, of course, on working people in the province. There are other jurisdictions, rightly noted—British Columbia, for example—that have similar accreditation systems, to my knowledge. There are mixed reviews as to how well they work.

At the end of the day, we can say with confidence that trade unions, in particular, have been at the forefront of ensuring that the health and safety of workers—and this is a win-win situation when it works properly in workplaces—is of paramount importance. Unfortunately, not every organization, not every workplace in the province of Ontario is unionized. Not every organization or workplace has a strong voice for workers present. So the risk that systems that don't have the proper oversight, at least from a government perspective, are there to serve

a profit motive, more so than they will health and safety, is a rightful concern. People need to have the right to be able to speak about their health and safety and to participate in their health and safety in their workplaces. The fact that's perhaps troubling about the legislation is that those details aren't vetted yet or aren't clearly indicated.

I will say that the Ontario Federation of Labour has had numerous conversations with the Chief Prevention Officer, with the Minister of Labour, respective of our concern over this. We have some assurances that labour, of course, will be included in consultation. However, to be able to comment on this in its entirety, we need to know the specifics of what it is that's going to happen.

Ms. Catherine Fife: Sure, and—

The Chair (Mr. Peter Z. Milczyn): Thank you very much. That's this round.

The next round: Mr. Baker for three minutes.

Mr. Yvan Baker: Thank you both for coming in and speaking to this.

I actually, a number of years ago—many years ago, I guess, now—worked in an environment where health and safety was really, really important on the worksite. So the issues around health and safety are ones that I can personally relate to, the ones that you're raising. I can say, personally, and I think I speak for my colleagues, I'm very concerned about making sure that what we do to protect the health and safety of workers is effective—absolutely. It's a priority.

I know that what's been proposed through the legislation is really what I think of as a preliminary step to allow some of those details that you referred to as not being there to be sorted through and figured out. That would be one point that I would make about why the details aren't there. In fact, that allows the design of the specifics to really be done in consultation with you and other key stakeholders.

You made reference to a communication—or a letter, I should say—and I wanted to read, to the extent that I have the time, a letter that I think clarifies some of the points here. This is from Minister Flynn and George Gritziotis, the Chief Prevention Officer:

"The Minister of Labour is looking to design a workplace health and safety accreditation program with the help of labour advocates and industry groups. As a preliminary step, we have proposed amendments to the Occupational Health and Safety Act, schedule 16 of Bill 70. This proposed framework legislation would provide a pathway to allow the Chief Prevention Officer to work with you to develop an accreditation program.

"This addresses a recommendation contained in the expert advisory panel report and is designed to be a means to motivate workplaces with strong employer and labour relationships to continue to exceed minimum compliance and strive for excellence in health and safety. Under such a program, workplaces that successfully meet the established standards and implement health and safety management systems could become accredited.

"No program design or standards are contained in the legislation. These specifics will not be developed until

after a robust consultation with labour and business stakeholders. It is the intent of the ministry to consult extensively with labour and employer stakeholders on the design of the program and on standards for accreditation, as well as the implementation. Labour stakeholders will be a key part of the consultation process to ensure their important views are indeed considered.

“Should the legislation pass, consultation will seek input on specific policy items such as implementation of a proposed accreditation framework; the components and elements of an accreditation standard; a possible incentive framework to encourage voluntary participation in the program; what health and safety programs must contain; and how they are evaluated in order to be recognized by the ministry.

“An accreditation program is envisioned to be a voluntary program available to those workplaces that already have strong labour and employer relations and extensive health and safety regimes that exceed both the current standards and enhanced standards, yet to be developed.

“Some stakeholders have expressed concern that an accreditation standard may result in fewer inspections by ministry health and safety inspectors. This will not be the case. This misunderstanding may stem from a failure to be as careful as we should have in our original communications. For that, we apologize.

“Proactive health and safety inspections have been an important element of the ministry’s health and safety enforcement and will continue to be. We do not consider them to be an unnecessary process in the vast majority of cases.

“As we design the accreditation process in consultation with you, however, we will be asking whether there are circumstances where a strong labour presence and a responsible employer have together done such an effective job that fewer routine inspections are necessary. Are there cases where ministry inspectors, internal health and safety representatives, worker time and company resources may be put more effectively use elsewhere?

“Labour has been such an effective partner in health and safety that we should not ignore their presence as a factor. It might make a difference in our approach and allow us to more effectively target high-risk workplaces that do not have that labour presence”—

The Chair (Mr. Peter Z. Milczyn): Mr. Baker, you’ve used up your three minutes.

Mr. Yvan Baker: Okay. Thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett for three minutes.

Mr. Toby Barrett: I only have three minutes. Your paper concluded calling for a robust and comprehensive consultation. You didn’t get a chance to do that. Very briefly—my colleague has a quick question—the call for consultation on this particular business around accreditation: Is it the understanding that the government is going to do this through regulation and consultation then? And then I’d like to go to my colleague.

Mr. Victor Fedeli: I’ll give you all the time.

Mr. Rob Halpin: That’s the understanding that we’ve got. As I said, we have had some communication.

Certainly, alarm bells were ringing, and we’re thankful that the ministry corrected some of those concerns with clarifying their position, particularly around the use of inspections performed by Ministry of Labour staff. That was extremely important to us.

Our organization represents, as I’ve indicated, 54 unions, many of which operate within the public service, particularly those that represent workers in the Ministry of Labour. And they, of course, know the importance of the work that they do on a daily basis, as do we all.

Mr. Toby Barrett: We don’t get to talk about regulation.

Mr. Fedeli, did you have a quick one?

The Chair (Mr. Peter Z. Milczyn): Mr. Fedeli.

Mr. Victor Fedeli: You talked about the fact that there was no discussion, no consultation, no involvement. What would you have advised had you had that opportunity?

Mr. Rob Halpin: Well, certainly, again, there was quite a bit of research and consultation put in around the expert panel’s recommendations in 2010 by now-Senator Tony Dean. The OFL has viewed those recommendations with a critical approach. Within those recommendations, I think it clearly states as well, Senator Dean notes that—he wasn’t Senator at the time—that there is no really perfect system to move forward on. They’re not making any recommendations in that respect.

Listen, we are aware that the ministry is eager to work with labour and recognizes the importance that labour plays in the province of Ontario when it comes to effective health and safety delivery, implementation and administration. So certainly, their understanding that we value that position—and the primary importance to us is that the members that we represent at the OFL, as I say, are able to return home whole at the end of the day.

The Chair (Mr. Peter Z. Milczyn): You have 30 seconds.

Mr. Victor Fedeli: Oh. Do you have anything else?

Mr. Toby Barrett: No. Very simply, thanks to OFL for bringing this forward. The person who testified before you apparently had 78 minutes’ notice. To me, that doesn’t—

Ms. Patty Coates: We had an hour and a half, around 90 minutes’ notice—and I was pulled from a very important meeting to be here.

1340

Mr. Toby Barrett: That really goes against the principles of citizen participation and public involvement in our democratic processes. I have to admit, I had very little notice myself, as a member of this committee.

The Chair (Mr. Peter Z. Milczyn): Thank you. That’s all the time for this round. You have until 6 p.m. today if you wish to submit further written materials.

ELECTRICAL CONTRACTORS ASSOCIATION OF ONTARIO

The Chair (Mr. Peter Z. Milczyn): Our next witness is with the Electrical Contractors Association of Ontario.

Good afternoon, sir. You have up to 10 minutes for your presentation, followed by nine minutes of questions. The next round of questions will begin with the government side. Could you please state your name for Hansard as you begin?

Mr. Kevin Vallier: Sure. My name is Kevin Vallier. I'm with the Electrical Contractors Association of Ontario as their manager of communications. Through you, Mr. Chair, thank you for allowing us the opportunity to speak here today.

Our issue with Bill 70: I'll speak specifically to section 17. The ECAO represents electrical contractors across the province in 11 associations, from Windsor up to North Bay and Thunder Bay.

The proposed amendments to the Ontario College of Trades and Apprenticeship Act that are in section 17, we feel, will dilute the enforcement powers of the Ontario College of Trades and, frankly, devalue certification of qualification and the compulsory trades designation.

As you know, there are currently 22 compulsory trades in Ontario, in which a person must be certified or be registered as an apprentice in a given trade and a member of the college to work or be employed in that trade.

As it's currently worded, section 17 of this bill we feel will create an unsafe workplace and send the message to skilled professionals and apprentices across the province that their investment in their training would be a waste of time and a waste of money.

Certification is compulsory to ensure that anyone engaged in the practice of trades, which pose risks to workers, public safety or consumer protection, are trained and sufficiently competent to perform work properly and safely. The certificate of qualification is the only demonstrable proof of that training. The proposed amendments will allow individuals without certification to do work within the scope of these trades.

The proposed amendments to the act will allow individuals to appeal a notice of contravention from the college to the Ontario Labour Relations Board. The college has a mandate to protect the public, and the OLRB does not; its primary focus, as you're aware, is jurisdictional disputes.

Essentially, we see Bill 70 as proposing to make the Ontario Labour Relations Board basically an appellant mechanism for an enforcement action carried out under the Ontario College of Trades and Apprenticeship Act, 2009, which would effectively make the OCOT the only regulator in the country subject to having its decisions overturned by an administrative tribunal. The OLRB has historically existed to administer the Labour Relations Act and could now find itself having to consider separate and contradictory legislation while setting aside decades of precedent and jurisprudence.

The certificate of qualification and compulsory trade status would become meaningless, we feel, if the OLRB is allowed to break out tasks within the compulsory trades. It also, frankly, neuters the regulatory body mandated to protect the public. Businesses will benefit

initially from using cheaper labour, but—and it's a big "but"—the cost could be lives and ultimately higher expenses when work is done improperly from the beginning. The province takes a massive step back in consumer protection and in promoting skills and training.

Schedule 17 needs to be removed from Bill 70 and sent to committee to allow proper debate of the impact of these amendments. If passed in its current form, these amendments will increase risk to workers and to the public.

The end result is that this bill, with the inclusion of section 17, as it reads now, could potentially be creating an unsafe workplace and telling skilled trades professionals and apprentices that their investment in training just doesn't matter.

Thank you for the opportunity to speak before you today.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Mr. Baker, you have three minutes.

Mr. Yvan Baker: Thank you very much for coming in and speaking to us. I just wanted to read to you a brief letter that the Premier received, and I have a question about it, if I could. I'm just reading to you the text:

"The Interior Systems Contractors Association of Ontario was incorporated on September 1, 1971. Originally, it was incorporated as the Drywall Association of Ontario. In 1980, it was renamed the Interior Systems Contractors Association of Ontario and now represents over 80 contractors and 30 suppliers/manufacturers throughout the province who employ over 10,000 members of the International Union of Painters and Allied Trades and the United Brotherhood of Carpenters and Joiners of America.

"We write with respect to your government's proposed amendments, which our organization strongly supports, to schedule 17 of the legislation cited above. Your government has taken steps to deal with deficiencies in the present legislation, regulation and practices.

"We recognize that these amendments contain compromises between the views of various stakeholders. And while we don't agree with all of the compromises, we are happy that the government is moving forward with the College of Trades to ensure that trades are a priority.

"We understand that some of the stakeholders interested in the college have called for additional consultation. We strongly disagree with any delay in moving forward. The government of Ontario has already engaged in two rounds and more than two years of consultation, both resulting in similar recommendations.

"The time to move forward is now. Your government needs to make the construction sector the priority and allow the College of Trades to fulfill its core responsibilities, which include training, certification and promotion of the trades.

"We appreciate the time, effort and resources that your government has spent on this issue. We would be happy to provide you with any further assistance and support in connection with this matter."

It's signed "Ron Johnson, Deputy Director."

The writer has stated that this legislation forms a compromise between competing concerns. Tony Dean and Chris Bentley both heard from your organization and a number of others over a span of two years and formulated the path forward that the government is now trying to implement.

It seems that some other groups are stating that they are not satisfied with everything, but recognize it as a reasonable compromise. From your perspective, do you agree, or do you understand, that the government's primary concern is to protect workers and the public from risk of harm? That's my question to you.

Mr. Kevin Vallier: Thank you for the question. I would hope, as a citizen of Ontario, that is certainly what the government is trying to do.

We know that there is going to be compromise in bills such as this. There's no question; it's never black and white. I think what our members say—and I can only speak for the electrical contractors, so I'm not here speaking on behalf of IBEW or anybody else—is that, echoing what previous people have said, let's pull this section out and have a further debate. We're not saying to throw it out. We're not saying we disagree with every single word. But there are some things in there that are concerning. There are two main ones, and one is with the College of Trades in terms of their enforcement. The other one is the erosion of the skills of the workers.

If it goes through now—I've heard the argument that until there's connectivity, until things are being plugged in or things are being live, speaking from the electrical standpoint, perhaps others could do that work. Perhaps, but then what's the next step, and what's the next step after that?

So again, it's just a request for some further debate and further consultation.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. The next round, to the official opposition: Mr. Fedeli.

Mr. Victor Fedeli: Thank you very much. So the government continues to tell us that we've had enough consultation on this. Would you agree with that?

Mr. Kevin Vallier: I think our organization, the ECAO, would disagree with that.

Mr. Victor Fedeli: I'm sorry?

Mr. Kevin Vallier: We would disagree with that.

Mr. Victor Fedeli: Okay. We have called this an omnibus bill, because in our opinion this is the fall economic statement—this is the bill that's attached to that—and there were 27 acts, this one included. Can you comment on your thoughts about being included in the fall economic statement as a bill, whether you agree it's an omnibus bill, and your general thoughts about that as well, please?

Mr. Kevin Vallier: We would agree. We found it a little odd that it was included in Bill 70. We would agree that calling it an omnibus bill would be correct. Again, that gets back to why we would like to see section 17 have more debate and a more thorough conversation around that.

Certainly the ECAO feels that section 17 doesn't really belong in Bill 70. There's enough concern, and the issues are strong enough and big enough and affect so many people across the province, that it deserves its due attention.

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Mr. Victor Fedeli: Did you know that this was going to be in the fall economic statement bill? Did you know in advance?

Mr. Kevin Vallier: I didn't personally. I believe our executive director did. I haven't been with the organization that long. From my research and speaking with him, they had a hint, but that's about as strong as I could say.

Mr. Victor Fedeli: This has been time-allocated, so as you understand, the debate within the Legislature has been truncated. I got to speak on it. I'm not sure if any or many other members of our party did. Do you have any particular thoughts on our ability or non-ability to speak on it?

Mr. Kevin Vallier: Again, on the bill as a whole, I think we would have liked to see more debate, and more debate in question period. We do feel that it has been processed through rather quickly by normal standards in the Legislature. We would like to see more attention and more discussion on this bill.

Mr. Victor Fedeli: I can assure you that we had no idea that there would be 27 acts in the fall economic statement, including this section that applies to your concerns as well.

Mr. Kevin Vallier: Like I said, we knew there were discussions on those issues, but I could probably say that it's a surprise that it was included in this bill, if that helps clarify.

Mr. Victor Fedeli: Thank you, Chair.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife.

Ms. Catherine Fife: Thank you very much for coming in and sharing your thoughts on schedule 17. This schedule obviously doesn't belong in a finance bill, but it does give the minister the power to determine the classification of a trade; that's formerly the college's authority. It also provides a method for reviewing the trades' scope and classification. Do you think that if this goes through, we will see more voluntary or compulsory certifications?

Mr. Kevin Vallier: I think we will see more voluntary.

Ms. Catherine Fife: What's the motivation for that?

Mr. Kevin Vallier: Cheaper labour.

Ms. Catherine Fife: Cheaper labour. So it is about money.

Mr. Kevin Vallier: I would say so, yes.

Ms. Catherine Fife: Okay.

Mr. Kevin Vallier: Our organization would say so.

Ms. Catherine Fife: Your organization, yes. That's really a sad statement of affairs, that the province of Ontario is including two substantive labour bills in a finance bill in order to—in schedule 16—reduce workplace inspections and then address labour costs in

schedule 17. So that's the feeling of your association around schedule 17; is that right?

Mr. Kevin Vallier: Correct.

Ms. Catherine Fife: In your original comments, though, you connected the ability to have training and certification directly to safety.

Mr. Kevin Vallier: Absolutely.

Ms. Catherine Fife: That's right. And you have lots of evidence to prove this, obviously.

Mr. Kevin Vallier: Yes.

Ms. Catherine Fife: It's well documented.

Mr. Kevin Vallier: Yes. There was a recent study that just came out within the last year. If memory serves, certified electrical workers—it's a 33% higher safety record. I think that was the number, so significantly higher.

Ms. Catherine Fife: There will be some changes around apprentices as well. I don't know if you had a chance to review the Auditor General's report yesterday around how poorly the apprenticeship program is going in Ontario. Did you get a chance to read that?

Mr. Kevin Vallier: I did not.

Ms. Catherine Fife: I would direct you to that report. It's pretty abysmal. We have an apprenticeship program in the province of Ontario which is not meeting the demand and is failing students going forward, so please have a look at that.

But thank you for bringing attention around training and certification and directly relating it to safety for us today.

Mr. Kevin Vallier: Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much, sir. You have until 6 p.m. today if you wish to submit further written submissions to us.

Mr. Kevin Vallier: Thank you, Mr. Chair.

ONTARIO REAL ESTATE ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our next witness is with the Ontario Real Estate Association. You have up to 10 minutes for your presentation, followed by nine minutes of questions. Your round of questions will begin with the official opposition. Could you please state your name for Hansard as you begin?

Ms. Valerie Miles: My name is Valerie Miles. Good afternoon, Mr. Chair, and thank you to the members of the committee for allowing us to speak today on Bill 70.

My name is Valerie Miles. I am a sales representative with Re/Max Country Classics Ltd. brokerage in Bancroft and also the chair of the government relations committee at the Ontario Real Estate Association. Joining me today is Matthew Thornton, OREA's director of government relations.

By way of background, the Ontario Real Estate Association is one of the province's largest professional associations, with over 67,000 realtor members in 40 real estate boards.

We are here today to speak to you briefly about our views on Bill 70. Our comments focus on section 13 of

the bill and the changes being made to the Land Transfer Tax Act. First, we would like to commend the government and encourage all committee members to support section 5 of the bill, which deals with the land transfer tax rebate for first-time homebuyers.

To put the issue in perspective: When the LTT rebate was introduced in 1996, the average price of a home was \$155,000. At that time, a first-time buyer of an average-priced home paid no land transfer tax because of the LTT rebate. However, the \$2,000 rebate has not kept pace with increasing house prices. Today, the average-priced home outside of the 416 has risen to \$340,000. In the past 12 months alone, this price has increased by 11.2%.

By doubling the rebate to \$4,000, many young families will get the leg up they need to get into home ownership. In markets across Ontario, the new rebate will mean that many first-time buyers will pay no tax on an average-priced home, including in many of the communities you represent.

In Barrie, first-time buyers of an average priced home will pay no tax. Simcoe: no tax. North Bay: no tax. Cambridge: no tax. Kitchener-Waterloo: no tax. Northumberland county: no tax. Instead of paying the government, these young families can purchase a new washer and dryer, or put more money towards their down payment, thereby reducing their overall housing costs.

While first-time buyers in Toronto will still pay some provincial land transfer tax, the \$4,000 rebate is much-needed relief. In 2008, the average-priced Toronto home cost \$379,000. Today, this has doubled to over \$762,000. Just to qualify for a mortgage on an average-priced Toronto home, a first-time homebuyer must have \$52,000 for a down payment and about \$160,000 in household income. Even then, the first-time homebuyer still needs to scrape together closing costs, including \$22,000 in land transfer taxes.

While the rebate will not fully cover the land transfer tax in Toronto, it serves as a start. Looking ahead, we hope that all three parties will consider increasing the LTT rebate to \$6,000 to provide more relief for Toronto buyers, and commit to reviewing it regularly to ensure that it's providing the relief young families in our province need to enter the market.

Moving on from the land transfer tax rebate, we would like to take a moment to express our concerns with the land transfer tax rate sections in section 1 of schedule 13 of the bill. Any tax increase on home ownership is concerning to Ontario realtors.

OREA does not support increasing the LTT rates on properties over \$2 million and the increases in rates on non-residential properties. The new residential LTT rate is targeted specifically at the Toronto market, a market that already lacks housing supply, which is causing substantial price increases due to the increased demand.

Consider that home prices in Toronto have doubled in the last eight years, with an average-priced detached home in Toronto selling for over \$1.3 million, not to mention that Toronto homebuyers pay two land transfer taxes. While \$2 million may sound like a lot today, five

or 10 years from now it may be much closer to the average price for the Toronto market.

OREA is also concerned that the higher tax rate will incentivize buyers and investors to avoid paying the tax by purchasing in segments of the market otherwise reserved for middle-class buyers to avoid paying the higher tax. Ontario realtors ask the government to monitor these changes to LTT rates to ensure that middle-class families in the future are not being unfairly captured by the new LTT thresholds.

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In closing, many young families across our great province are struggling to get into homeownership. OREA would like to commend the Premier, Minister of Finance and the government for their commitment to addressing housing affordability challenges in Ontario.

We think there is still more that needs to be done. Only through coordinated action that addresses issues, like a lack of supply, can we ensure that the Canadian dream of homeownership remains alive and well for generations to come.

Thank you, and we would be happy to take any questions.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Your round of questions begins with Mr. Fedeli.

Mr. Victor Fedeli: Thank you very much, Chair, and welcome.

On schedule 13, the government is amending the land transfer tax and imposing new land transfer taxes. We will be bringing amendments forward that would ask to remove these two amendments. I'll read them just for a moment, and I'll ask you then if you support this.

We're going to ask the government to be removing these two amendments: One, for all types of properties, a tax rate of 2% on the amount of the value of the consideration that exceeds \$400,000; and the second amendment is an additional 0.5% on the amount of the value of the consideration that exceeds \$2 million, if the land contains at least one and not more than two single-family residences.

Would you support our amendments in asking the government to remove those two amendments? If so, why? If not, why not?

Mr. Matthew Thornton: If I can, Val. Thank you very much for the question. I think we would support any measures that would reduce taxes on housing or the purchase of property in Ontario. Yes, I think that we would support those amendments.

Mr. Victor Fedeli: In addition, there are going to be amendments from the government that allow the minister to collect and use prescribed information about people who acquire land or dispose of land. We will be asking that that portion be removed as well.

Quite frankly, we don't know what the government plans on doing with that information, and it is, in our opinion, significant additional red tape. We don't know how that will impact transactions. I'm hoping that you in the business can shed some light on what you think the government collecting that extra information will do.

Mr. Matthew Thornton: Mr. Fedeli, we haven't really been able to delve too much into that section yet and get a better sense of what the intention there is with the additional requirements on collection of data. But I will go back to a previous issue that we have worked on in the past: the issue of a foreign buyer tax. I know that one of the concerns that we raised when that issue was being discussed provincially was the lack of data and information in the province around the amount of foreign activity in our market. So I think it's a good thing if we're looking at ways to gather more data and make really data-driven decisions for any major changes or new policies introduced, like a foreign homebuyer tax.

Overall, gathering more data is good. We'd like to get more information on what exactly the intentions there are, but I think that we do want to emphasize that gathering data, especially on that issue, is a good thing.

Mr. Victor Fedeli: Thanks, Chair. I quite appreciate this.

The Chair (Mr. Peter Z. Milczyn): Thank you very much.

Ms. Fife.

Ms. Catherine Fife: Thank you, Matthew and Valerie, for coming in. We've gotten to spend a lot of time together lately, and we've had conversations about most of the issues that you've raised in your presentation.

I do want to say that I think OREA has done a very good job of educating the government around the cost of housing. As I mentioned when I spoke at your conference, the Financial Accountability Officer actually referenced the risk to the economy if people cannot afford to buy homes. Affordability of homes in the GTA area is a major factor that the Financial Accountability Officer has indicated is a risk factor. You've done a very good job of raising the affordability issue.

While New Democrats support schedule 5 entirely, because it will make a difference for people outside of the GTA and less so in Toronto, we cannot support Bill 70, because of the harm that it's doing to small businesses around schedules 16 and 17. I just want to put on the record that we're very supportive of the work that you've been doing in schedule 5, but there's no way that we can support Bill 70.

Thank you for coming in.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: I represent a riding called Etobicoke Centre; I'm not sure how familiar you are with that part of the city. It's interesting: I'm not a first-time homebuyer—I've owned a home before—but I'm actually in the market for a home right now. The real estate agent that I have will send me listings of homes, and most of the riding is single, attached homes, but it's pretty difficult to find anything for under \$1 million. I'm still a fairly young person. Although not a first-time homebuyer, I can relate to what those first-time homebuyers are going through and what a challenge it must be.

You talked about the land transfer tax changes. I just wanted to ask you again: Do you believe that these changes will make it easier for first-time homebuyers to get into the market?

Ms. Valerie Miles: Without question. I think once you consider, if you take the GTA, the Toronto equation out of the bubble—and maybe a little bit further out, not just right downtown. If you take that out, there are a substantial number of markets within the province where this is a very good thing for first-time homebuyers. When you start to talk about anything north of 7, which is a very large geographical area, 80% or 85% of transactions will occur with no land transfer tax for new families.

Mr. Yvan Baker: Okay. Thank you for that. One of the things that we've talked about, and it has been discussed in the previous sections, was—there's been a broader discussion, I should say, about rising home costs in many parts of the province. This is a concern to a lot of people. I just spoke about it in my context.

The government has talked about how they're committed to addressing these concerns. We also know that the Ontario market is different than the one in British Columbia, and British Columbia has taken some measures recently to address the growth in the value of their housing market.

To make appropriate decisions around this, one of the things that's important is to understand the market forces that are at play, that are driving those prices. That's the reason that we're proposing to collect the additional data, such as property type, intended use, citizenship of buyers and resident status to help inform what those future policies could look like.

My question to you is: Do you think that this type of data would provide a basis for stronger evidence-based decision-making?

Mr. Matthew Thornton: In short, yes. We would go back to the BC example. When BC introduced the foreign buyer tax in that province, it was done really in a knee-jerk fashion to more of a political discussion that was happening in the media. They did it in the absence of really any good information around how much foreign activity was occurring, in the greater Vancouver market especially.

We totally support gathering more data, getting a better handle on types of issues, like foreign activity. I think that will lead to better policy decisions in the future.

The Chair (Mr. Peter Z. Milczyn): Thank you. That's all the time.

Mr. Toby Barrett: Chair, just a point of order.

The Chair (Mr. Peter Z. Milczyn): Yes, Mr. Barrett?

Mr. Toby Barrett: I have a home listed, if you're interested.

Mr. Yvan Baker: Is it in Etobicoke Centre?

Mr. Toby Barrett: Maybe these people or Ray Ferris or Tim Hudak could get us together. Thank you.

The Chair (Mr. Peter Z. Milczyn): You should take that conversation outside.

ONTARIO HOME BUILDERS' ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our next witness is with the Ontario Home Builders' Association. Good

afternoon. You have 10 minutes for your presentation. Your round of questions will begin with the NDP. As you begin, if you could please state your name for Hansard.

Mr. Joe Vaccaro: Thank you, Mr. Chair. My name is Joe Vaccaro with the Ontario Home Builders' Association. I'm joined by my colleague Michael Collins-Williams.

OHBA represents 4,000 member companies and is organized into a network of 30 local associations across Ontario from Windsor to Ottawa and Thunder Bay to Niagara. Our industry represents over a \$51-billion investment in Ontario and over 330,000 on-site and off-site jobs, making residential construction one of the largest employers in Ontario, paying some \$19.3 billion in wages. We really are the engine that drives Ontario's economy.

Thank you for providing us this opportunity to give our recommendations regarding Bill 70. The budget bill includes a couple of critical changes to the provincial land transfer tax, most notably a doubling of the first-time buyer's rebate from \$2,000 to \$4,000.

Let me begin by commending the government for providing this help to first-time homebuyers trying to get into the housing market. This doubling of the LTT is the first signal that the government has some interest in improving market housing affordability.

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I specifically identify market housing affordability because our industry and our members provide market housing. The fact is that 95% of Ontario's new housing supply is built by the private sector, and new home prices reflect the market conditions set by government policy, from municipal approvals to provincial legislation and regulatory frameworks to the federal rules on mortgage qualifications. Government sets the rules on where, what and when housing supply comes into the market, and the market prices those homes accordingly. In understanding this point—that builders can only bring new housing supply to the market where, what and when they are granted approvals—it should be understood that the housing supply in Ontario, and not just in the GTHA, continues to face new barriers and challenges.

We welcome the government's and, for that matter, all MPPs' interest in the issue of making housing more affordable for everyone. Let me take a moment to provide some important market information about the state of Ontario's housing market.

The provincial government's population and employment forecasts continue to be achieved, meaning that every year, the GTHA attracts over 100,000 people to the region. This is a good-news story, as the region benefits from the talent and investment of these new residents. That is seen across the region, from Peterborough to Niagara Falls, Windsor to Waterloo. People and investment are coming to Ontario, and with that comes the need to provide housing and employment.

The market is going to supply 95% of those new housing options to our residents. The province has legislated a grow-up-and-not-out approach, the Places to

Grow Act. What has this meant for the housing supply? It has meant that the supply of townhouses and high-rise projects can come on stream, but the supply of low-rise options, like single and semi-detached homes, has not.

In real terms, in 2006, there were 16,500 new low-rise homes available for residents to purchase in the GTA. As of the end of September 2016, there were only 1,600 homes available to purchase. That's a 64% decline in availability.

What does that mean? It means that the very limited housing supply coming forward is being priced to the market, and this is why you are seeing people camped over for a number of nights in places like Kitchener, Cambridge, Niagara, Hamilton and Simcoe, many of them believing that they're buying the last low-rise home available in their community.

What has this done to prices? CMHC's 2016 average absorbed new single detached home price for Ontario, at the end of the third quarter, was \$742,000. Ten years ago, it was just under \$400,000. In Ontario's hottest market, the GTHA, the new home price index for low-rise new homes was over \$992,000. The new home price index for high-rise new homes was \$486,000 at the end of September, coming to an average of \$600 a square foot. Just one year ago, those numbers were \$800,000 for a low-rise home and \$440,000 for a high-rise home.

If we go back to June 2006, the average low-rise price in this region was less than half of what it is today, at \$393,000, meaning new home prices have more than doubled in the past decade in the GTHA.

The rising price of housing is top of mind for Ontarians. After complaining about the weather, people complain about the price of homes. Again, our industry can only bring forward new housing supply where, what and when we earn approvals through a very complex process.

The "where" is governed by official plans, the provincial policy statement, Places to Grow and over 100 other pieces of legislation. The "what" is about the housing form—is this a high-rise community or is this a low-rise community—the requirements of the building code and what will fit in this community. The "when" is governed by the necessary infrastructure. You cannot move a family into a home until you can switch on the lights, the heat and the water. Those are hard costs that are part of the price of a new home, funded by development charges and taxes.

When any of these approvals are delayed, it only serves to restrict the housing supply further, and the market responds through higher prices. CMHC has identified the housing supply issue as a key factor in housing price escalation in the GTHA, along with various banking institutions who have analyzed the GTA market.

The increase in development charges across Ontario has been staggering over the last 10 years. The ink is barely dry on the new Development Charges Act that came into effect January 1, 2016, and municipalities have already proposed further increases across the province.

Yes, development charges will continue to go up. For example, in 2011, in Brampton, the development charge

was \$43,000; today, it's \$68,000. In Markham in 2011, it was \$52,000; today, it's \$67,000. In Ottawa, it was \$25,000; today, it's \$31,000. And in Kitchener, it was \$23,000 in 2011, and today it's \$30,000.

With the introduction of the HST on new homes in 2009, the government created a single-threshold HST rebate that supported tax neutrality for homes under \$400,000, taxing the incremental value at 6%. Based on various reports, through the HST and associated activity, the provincial treasury has netted over \$1 billion more through the HST and provincial LTT than projected this year.

What can be done to help housing affordability? We raise this discussion in the context of this bill because the government's key focus in part of this was the discussion around housing affordability, and market housing affordability specifically. We support the doubling of the LTT for new homebuyers, and we welcome the government's interest in the market housing affordability discussion.

First of all, we need to respect the reality of the marketplace. What industry can bring to the market is governed by what we can earn through an approval and connect through infrastructure: the where, the what and the when; the lights, the heating and the water. You cannot regulate affordability in the marketplace. The government has said a number of times that they are helping to set the conditions of the market and support the market, but regulating market affordability in this marketplace will not work.

Bringing more housing supply to the market, continuing to support a range of housing options for Ontarians, and government approving new housing supply for the market are positive actions for the government to take. I say that not in the sense that builders should be able to build where and what they want; I say it in the sense that when we make decisions, we have to move forward quickly to bring those options to the marketplace.

After eight years, we continue to call on the government to update the HST threshold to reflect the new housing price reality and help those consumers in their desire to be homeowners.

Lastly, we understand that the province, along with the federal government, has various housing affordability groups, but it is time for the Ontario government, since housing is a provincial responsibility, to bring together various stakeholders and have a mature, informed discussion on the issue of housing affordability. We welcome that discussion to find positive ways to help Ontarians achieve their dream of home ownership.

Thank you, and I look forward to your questions.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Vaccaro. Ms. Fife, you have three minutes.

Ms. Catherine Fife: Thank you for coming in and sharing some of your concerns around Bill 70. Affordability is one of those key issues that keeps coming up. You make the point that government can't regulate affordability, and we would agree with you. We also

would agree with you that the number one issue that people complain about is weather, but the second one, I think, is hydro rates in Ontario.

But I want to talk to you a little bit about the relationship that you have with the government, because you've actually just issued a call to action, if you will, to bring stakeholders together to talk about—I would assume that part of that must be affordable housing. What would that look like, and what would you be specifically asking the government for? Because it's not in this bill.

Mr. Joe Vaccaro: Fair enough. This bill provides the doubling of the rebate, which we think is a positive step, but what it really does is that it provides our industry a signal that the government wants to talk about market housing affordability.

On the affordable housing side—which is, again, a different part of the discussion—the government has already signalled their intentions with things like the inclusionary zoning bill and some other items. But that doesn't get to the crux of the real marketplace, which is 95% of what our members are providing.

Ms. Catherine Fife: Which is single, stand-alone homes.

Mr. Joe Vaccaro: Which is single, townhouses, condos, mid-rise—it's the marketplace.

Ms. Catherine Fife: On that model, though, has brownfield development come into play with either municipal or provincial governments?

Mr. Joe Vaccaro: Absolutely. It's all part of that spectrum of what housing supply the private sector can bring to the marketplace. Brownfields are a great example of where that project needs to move through a very rigorous regulatory process. So part of that is working with the government to say, "If we want to bring a brownfield forward for redevelopment, how do we do it together?"

What we've seen over the last 10 years is a layering and layering of new regulations, policies, taxes and fees. We understand that there needs to be some rigour, obviously, but if we want to work collaboratively—hopefully a panel can have that educated discussion around how we collaboratively work together to bring forward new developments, to bring forward the right housing supply in the right location; and when we have those agreements and everyone is aligned, how quickly we can bring it to the marketplace.

From our perspective, this bill is positive in terms of the doubling of the LTT. That's a positive step forward. But it really is, for us, a signal that the government wants to have a thoughtful discussion now on market housing affordability. That discussion involves our industry and our members. It also involves an educated discussion about how housing supply is impacted by government regulation and taxes and process.

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Ms. Catherine Fife: Okay. Thank you very much.

Mr. Joe Vaccaro: Thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker: three minutes.

Mr. Yvan Baker: Thanks for coming in today. It's good to see you both again.

You spent a fair bit of time talking about the land transfer tax and the increase in the maximum rebate from \$2,000 to \$4,000, recognizing that a measure like this doesn't cool the market. Do you agree, and if so, could you speak about whether you believe that this will increase the affordability of housing for first-time homebuyers and for young families?

Mr. Joe Vaccaro: I would reference back, I think, to Minister Sousa's comments about this, which were that for those people who are in the marketplace, this helps them, and we see it that way. This is helping them close their deal, close the transaction. But the reality is that market prices are being set based on housing supply and demand in the marketplace. Overwhelmingly, the demand has been firm in this marketplace, and in south-western Ontario in general, for the last 10 years. We've seen that. That's a reflection of the population and employment opportunities coming here. We see that demand, so we're trying to match the demand with what the industry can provide from a housing supply perspective, because that's really driving prices.

So yes, it's positive in terms of the doubling of the LTT. It helps those first-time homebuyers who qualify with some additional money and support to help close those deals. But essentially, if we are going to take a serious approach in terms of thinking about market housing affordability, then it's really incumbent upon the government, we feel, to bring some informed stakeholders together, have a thoughtful discussion, and understand that at the crux of the market discussion is not the demand issue; it's the supply issue: what's available in the marketplace, where it is available, and how quickly we can bring it to market. That is the only way that the market can be properly dealt with. Regulating affordability is not going to work.

Mr. Yvan Baker: Okay. That's helpful. Thank you very much.

One of the things that you and I have spoken about previously in our discussions is the availability of land for development in the GTHA. I was wondering if you have any comment on that that you'd like to share.

Mr. Joe Vaccaro: We specifically look at the issue as an issue of housing supply; it's a housing supply issue. When we look at that, we are talking about things like condominium developments in downtown core areas, townhouses on avenues and infill housing. As someone from Etobicoke, you would be challenged by a number of the new developments coming to your community, and the pushback you're getting from ratepayers, who are now welcoming those new opportunities. That's a housing supply discussion.

Regardless of whether it's a suburban issue, a rural issue or an urban issue, our challenge is bringing new housing supply to the marketplace. That's our challenge in all those various forms. And whether the pushback is from ratepayers who are concerned about their neighbourhoods or about traffic, or whether it's about

environmental concerns that we have to deal with and have to be responsible to, it's all part of that continuum.

We have really focused on the issue of housing supply and understanding that spectrum: How do we get all those options on the table? And how do we get them on the table and to the market as quickly as possible?

Michael, any other comments?

The Chair (Mr. Peter Z. Milczyn): Well, that's the three minutes, unfortunately.

Mr. Fedeli for three minutes.

Mr. Victor Fedeli: Welcome, gentlemen. It's always a pleasure to see you.

I'm going to start off by making a pitch—you know, I'm a northern boy. I live in the North Bay area, Nipissing riding. People north of the French River, when they hear these prices, it just absolutely boggles our minds. So I would make a pitch to you, and anyone who's viewing, that you can always come and visit us in northern Ontario, where we have a plentiful supply of lots. There, that's my sales pitch. I appreciate it.

The Chair (Mr. Peter Z. Milczyn): It's a long commute.

Mr. Victor Fedeli: Well, we have a lot of economic development opportunities as well, in our industrial park.

Look, our party, the PC Party, supports lowering taxes at every opportunity. So when it comes to the land transfer tax alteration, we support that—let's make that clear—but we cannot support Bill 70. There are 27 acts in Bill 70. It's an omnibus bill that has so many other components put into it. So we will not be supporting the bill, although we support any time there's a lowering of taxes.

To that, I'm going to read two amendments that we're bringing to the amendments that the government is bringing to the Land Transfer Tax Act, and I'm going to ask if this is the kind of thing that you would consider supporting.

The government is putting an amendment in, and we're asking them to remove, for all types of properties, "a tax rate of 2% on the amount of the value of the consideration that exceeds \$400,000." We're asking them to take that out of this bill.

They're also asking for an additional 0.5% on the amount of the value of the consideration that exceeds \$2 million if the land contains at least one and not more than two single-family residences. We view those new taxes, quite simply, as new taxes that we're going to ask—and we're going to put forth an amendment. We're looking for your thoughts on amending that.

Mr. Joe Vaccaro: Our thoughts are that, obviously, we're supportive of the LTT removed for new home-buyers being increased. We do have concerns about what it means for those people purchasing homes above that new standard—

Mr. Victor Fedeli: Four hundred.

Mr. Joe Vaccaro: —\$400,000, and likewise on the \$2 million, as I understand it, as well. We have concerns about that. We've begun the dialogue around transition rules around that. As you can imagine, an individual who

has purchased a home at those rates, but will not get delivery of that home for three years—are they impacted by this change? We're working with government to get some clarity around that.

But again, we look at this from a housing supplier's perspective. Taxes are definitely part of some of the barriers to bringing housing supply forward as developers have to make those projects work and make sense to bring them to the marketplace.

So we would be supportive of those amendments as we see a need to make sure that housing affordability for everyone involved is maintained in a reasonable way.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Vaccaro. You have until 6 p.m. today if you want to provide further written submissions.

Mr. Joe Vaccaro: Thank you.

ONTARIO PUBLIC SERVICE EMPLOYEES UNION

The Chair (Mr. Peter Z. Milczyn): Our next witness is with the Ontario Public Service Employees Union: Mr. Elliott. Good afternoon, sir.

Mr. Len Elliott: Good afternoon.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation. Questions will begin with the government after that. If you could please state your name for Hansard as you begin.

Mr. Len Elliott: Yes. My name is Leonard Elliott.

Good afternoon. My name is Len Elliott, and I am a regional vice-president for the Ontario Public Service Employees Union. OPSEU represents over 400 occupational health and safety inspectors across the province and over 130,000 members who are workers in this province.

I am here today because the measures proposed in schedule 16 of Bill 70 to amend the Occupational Health and Safety Act will negatively affect all OPSEU members. First, it will affect us as workers; and second, it will affect us as health and safety inspectors, who work to keep Ontario workplaces safe. For the record, I am an occupational health and safety inspector. I work for the Ministry of Labour in London.

I wanted to start my presentation here today by having a minute of silence, as we do every year on April 28 on the International Day of Mourning. As you know, that's when we recognize and remember workers who have been killed or injured on the job. But I can't be silent today. I have too much experience with what happens when employers fail to treat health and safety seriously. As someone who has dedicated his career to making sure every working Ontarian gets home from work safely, I have to speak up. I want to be a voice that speaks for those dead and injured workers.

I am here to ask the committee to delete schedule 16 of Bill 70. Please do not leave it as is or amend it with it; it must be removed.

Schedule 16 gives the Chief Prevention Officer the ability to accredit a health and safety system for use in

Ontario workplaces and then recognize employers who use an accredited health and safety system. It has been said that the stakeholders in this province want the accreditation process. In this case, "stakeholders" does not mean all of them; it only means employers. I can tell you that the millions of workers who are also stakeholders in workplace health and safety have not asked for this change, nor would they ever.

I want to make it clear that OPSEU opposes connecting any type of accreditation system with the way the MOL conducts proactive health and safety enforcement in Ontario workplaces. Unfortunately, that seems to be what the government has in mind. In introducing schedule 16, the Ministry of Labour sent out an email that states that the ministry wants to "lessen the burden on employers by taking away unnecessary proactive inspections." Just think about that for a second: There is nothing unnecessary about proactive inspections. Field visit inspections are an integral part of our health and safety system. To whom are they unnecessary? Not the workers of Ontario, I can assure you.

Our inspectors do tens of thousands of inspections each year, including thousands of proactive inspections, and occupational health and safety officers write thousands of orders for contraventions of the Occupational Health and Safety Act that would otherwise not have been addressed if we had not gone into those workplaces. These are workplaces that could easily receive accreditation under the new rules in Bill 70.

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It is not unusual for employers to receive awards or be accredited even though their workplaces are horribly unsafe. Want an example? Look no further than the Westray mine disaster. Westray received the John T. Ryan Safety Award for the second year in a row, just 11 days before 26 miners were killed in an early-morning explosion at the mine. Tragically, the worker that the company sent to get the award was one of the 26 miners who died in the May 9, 1992, explosion.

Employer representatives and government bureaucrats would have you think that while the employers are working away in their respective workplaces, it is an inconvenience to have an inspector show up for a surprise, proactive workplace inspection. But here's the thing: An unsafe workplace is an inconvenience too, a daily inconvenience that threatens a worker's ability to be healthy, or even to live.

Inspectors need to actually see the way employers run their day-to-day operations in order to determine if a given workplace is operating safely, and that only happens if employers don't get advance notice of an inspector's audit. If we had to call ahead to announce our arrival or, as suggested in Bill 70, never be allowed to do proactive inspections, many workplaces might think they were safe, and they actually aren't. That false sense of security based on ignorance could be deadly.

The health and safety management system discussed in schedule 16 is only a paper plan. It is one thing to have policies and safety manuals in a workplace where

everything looks good on paper, but when it comes to safety, the proof is in the pudding. There must be external enforcement by Ministry of Labour inspectors to ensure compliance with the Occupational Health and Safety Act. Health and safety management systems sideline workers, joint health and safety committees, and worker health and safety representatives.

In 1976, the Ham commission recognized that workers needed individual and collective participation in workplace health and safety. James Ham came up with the internal responsibility system that is still in use today. Yet even today, the balance of power, when it comes to health and safety, lies with employers, not workers. Moving health and safety prevention to the boardroom to develop a management system moves occupational health and safety farther from workers and farther from solving problems on the shop floor.

On Christmas Eve of 2009, four workers were killed and one critically injured in a fall from a swing stage in Toronto. That's when this Liberal government did a review of the health and safety system in Ontario, conducted by the Dean expert panel.

I attended every public forum of the Dean panel, including many Ministry of Labour meetings with staff, where we expressed our concerns and had some input as inspectors. Not once did inspectors call for or even mention a process that would limit their ability to attend a workplace in a proactive way, even with accreditation, and Dean didn't suggest lessening enforcement to accredited employers either. Why? Because our inspectors have investigated critical injuries and fatalities of workers in workplaces that would qualify for accreditation tomorrow.

We, the workers of Ontario—the real stakeholders when it comes to workplace safety—also have great concerns with the proposed changes to section 7.7 of schedule 16. That section proposes that the Chief Prevention Officer should have the power to designate persons outside the ministry to look after accreditation and the many duties related to certification training. But this change needs to be scrapped, too. The Ministry of Labour should not contract out its role to a third party.

Further, we have no idea what the accreditation proposal looks like. What we're being told is, "Here's the legislation. Details to follow." That's not acceptable. Schedule 16 will increase the number of critically injured workers and workers killed on the job in my community and yours, wherever you live in Ontario.

If Bill 70 goes through, I hope that the families of those dead workers will be able to hold this government accountable for killing their family members. If this goes through, you may have to look a parent, a spouse or the child of a dead worker in the eye and tell them that you kept the Ministry of Labour health and safety inspectors out of their family members' workplaces, all because his or her employer was self-regulated and claimed, on paper, it was a safe workplace. You don't want to see that day. I urge you to make sure that you never have to.

Proactive inspections are so important to protect the growing numbers of precarious workers in the province.

Many of them do not have unions. They don't have job security. They may not know their rights, and even if they do, they are afraid to call the Ministry of Labour. Barring inspectors from proactively inspecting workplaces would have devastating effects on these workers. This does not match the Ministry of Labour priority to protect vulnerable workers. Our inspectors have the expertise, experience knowledge to do both proactive and reactive inspections. They do them now. Ontario needs both.

On behalf of the workers of Ontario who want to come home safely every day, and also the workers who have been tragically injured or killed on the job, please get rid of schedule 16.

I presented to the Standing Committee on Social Policy in April 2011 on Bill 160, where I said at that time that our health and safety are not up for negotiation. And today I'm saying that again. This is not drama. This is real.

Not all employers are bad. That's not my point. There are many good employers out there who comply with the law, and there are others who go above the minimums in the act. Enforcement doesn't harm these employers, and proactive visits don't harm these employers either. But it's still a fact: All employers need proactive enforcement.

In closing, two main messages:

(1) Proactive inspections are a critical part of our enforcement program in Ontario. No accreditation system can or will replace them and still protect worker safety.

(2) The Ministry of Labour must not put any third parties in charge of occupational health and safety. Workers depend on MOL enforcement and oversight for their lives.

Please scrap schedule 16.

Thank you. I'll take your questions.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Elliott.

Mr. Baker for three minutes.

Mr. Yvan Baker: Thanks very much for coming in, and thank you for the important work you do every day.

I shared with a previous presenter—I'm not sure if you were here—a little bit of my background story. One of my first jobs was as a labourer on a site where we were working with heavy machinery and a number of other things that could have been dangerous to safety. I remember how concerned everyone was about making sure that we protected the workers on the site, so I know how important it is. I also, unfortunately, was present when a worker did get killed in a different circumstance—not on that site but in a different circumstance. I know how important it is that we do everything we can to protect worker safety. I speak for myself, but I think I speak for all my caucus colleagues as well.

The way I see this is that the legislation has been put together—I think you referred to this in your presentation—and the details have not yet been mapped out, of what the accreditation program would look like. I think that's right, in the sense that I think the goal is that this

legislation would facilitate the ability to design an accreditation process that the ministry could consult on, with you and other important stakeholders.

You spoke about the importance of proactive inspections. That was one of your key messages to us. Proactive inspections are important today, and they will continue to be an important part in the future.

I just want to read you a few segments of a letter that the Minister of Labour, Kevin Flynn, issued, along with George Gritziotis, the Chief Prevention Officer. I won't read it all, just a few selected elements, but I think they speak to some of the issues that you alluded to.

"The Ministry of Labour is looking to design a workplace health and safety accreditation program with the help of labour advocates and industry groups. As a preliminary step, we have proposed amendments to the Occupational Health and Safety Act.... This proposed framework legislation would provide a pathway to allow the Chief Prevention Officer to work with you to develop an accreditation program.

"This addresses a recommendation contained in the expert advisory panel report...."

On a separate line: "No program design or standards are contained in the legislation. These specifics will not be developed until after robust consultation with labour and business stakeholders. It is the intent of the ministry to consult extensively with labour and employer stakeholders on the design of the program and on standards for accreditation, as well as the implementation. Labour stakeholders will be a key part of the consultation process to ensure their important views are, indeed, considered.

"Should the legislation pass, consultation will seek input on specific policy items such as implementation of a proposed accreditation framework; the components and elements of an accreditation standard; a possible incentive framework to encourage voluntary participation...; what health and safety programs must contain; and how they are evaluated in order to be recognized by the ministry."

In a separate part of the letter: "Some stakeholders"—

Mr. Len Elliott: Is there a question in there? I'm just curious.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker, unfortunately, you've used up your three minutes.

Mr. Len Elliott: The cart before the horse, sir. That's what I'm saying.

The Chair (Mr. Peter Z. Milczyn): Mr. Elliott, we're going to move on to Mr. Fedeli or Mr. Barrett. Mr. Barrett, for three minutes.

Mr. Toby Barrett: Thank you, OPSEU, for coming forward. I joined a union when I was 18, in manufacturing. I got to go to the safety committee meetings, the union meetings, and then, over the years I consulted—employee assistance programming, actually. Everything was joint management-union. Again, I attended many health and safety committees, joint union-management committees. I thought that was a great idea.

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From what you just said—I don't want to eat up the three minutes—I guess my question is, what has hap-

pened here? Why are they doing this? It almost seems like an end run. When I think of the principle of joint management and working together, especially on safety, what's happening here?

Mr. Len Elliott: What's happening here is a lack of transparency. In 2009, when those workers died, the minister at the time—I think it was Fonseca—asked for an expert panel review. So they set up the consultation process ahead of time, like they should. The “cart before the horse” statement I made is: Do the consultation, have all of the input from the stakeholders. This was done without talking to labour.

As for the Dean report, the Dean report named the provincial council, which included labour. Labour got served this about two and a half weeks ago and told, “This is what we're doing.” That's not transparent and that's not what the Dean piece is talking about.

What we need to do is have those consultations—pull this piece, have the consultations and look at what accreditation looks like. However, we would still not agree that proactive visits be cut off to workers in this province. It's not acceptable.

Mr. Toby Barrett: I'm sorry, the what not cut off?

Mr. Len Elliott: We would not agree that proactive field visits would in any way be cut off to inspectors. That needs to happen forevermore. Accreditation to a higher standard in a workplace above the minimums: We're very supportive of that, but not of something that would then say, “You can't come in here” through a reciprocal agreement with the Ministry of Labour, limiting the powers of an inspector. It's not acceptable.

Mr. Toby Barrett: And just going back to my joint union-management work a number of years ago, one of our principles—and it took time. Sometimes it would take two years to set up a committee, say, with the steel industry. However, in the long run, it seemed to pay off. I've always found that involvement breeds commitment—

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett, I'm sorry to interrupt. People are having difficulty hearing you. If you could speak closer to the microphone.

Mr. Toby Barrett: Oh, I'm sorry. Very briefly, in the long run, involvement breeds commitment.

Mr. Len Elliott: Right, absolutely; involvement from both sides, which means the workers on the floor.

Mr. Toby Barrett: Exactly. Thank you, Chair.

The Chair (Mr. Peter Z. Milczyn): That's it? Thank you. Ms. DiNovo for three minutes.

Ms. Cheri DiNovo: Thank you, Mr. Elliott. Thank you for your passionate plea here. Of course, late this morning, Bill 70 passed in the House. I'm talking about the cart before the horse.

Actually, one of my questions was going to be Toby's, so I'll rephrase my question: Who do you think benefits from this section, if it's not the workers? Who benefits? Who had the Minister of Labour's ear that they went ahead, do you think?

Mr. Len Elliott: Large corporations, absolutely; larger corporations—not all large corporations—and

some companies. Make no mistake: They absolutely have policies in place, they have safety manuals, they have full-time management and full-time health and safety members in some of those places. But I can tell you, orders have been written proactively in those workplaces. Critical injuries and fatalities have happened in those workplaces. If they get to hold up a sign to keep an inspector out of there, that's going to continue to happen.

We are an external auditing body—government, not privatized—that comes in and audits the workplace based on being proactive, going in there and taking a look or a snapshot. To be able to hang something on the wall that says, “We've self-regulated. We've self-audited. We're good to go,” that's unacceptable. We should not be excluded.

Unfortunately, the legislation, if it's passed—to say that you'll have consultations after the fact, I still wonder what that will look like, wonder how that legislation will come out, because now they fully have their agenda, they fully have the ability to do whatever they want by giving these powers to the CPO. It's not acceptable.

Ms. Cheri DiNovo: As you know, the New Democrats have opposed this, of course, and we've asked questions in the House on it. When we ask questions of the Minister of Labour, he stands up and says, “Oh, everybody's on board with this.” Clearly, everybody is not on board.

Mr. Len Elliott: Clearly, they're not. Labour was absolutely excluded, and after the fact, they said, “We'll talk to you once this passes.” That is unacceptable. That's not the transparency that this government hangs its hat on and talks about, not to mention a socially responsible government. Shame on them for doing this.

Ms. Cheri DiNovo: In essence, you've alluded to the fact that this is a privatization yet again.

Mr. Len Elliott: It's down the path of privatization.

Ms. Cheri DiNovo: Like Hydro One, like the other privatizations we witnessed from this government, this is yet again another privatization.

Mr. Len Elliott: Yes. When the board of directors of the inspecting body are the very employers that would sit on those boards of directors that the inspectors would be going in to inspect and prosecuting, that has to be career-limiting in some way. It's not acceptable. It must remain public.

Ms. Cheri DiNovo: Well, thank you for your passion. I hope you carry that passion in your discussions with the government, because they clearly aren't listening. Thank you.

Mr. Len Elliott: Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. DiNovo. Thank you, Mr. Elliott. If you have further written submissions you'd like to provide, you have until 6 p.m. today to do so.

Mr. Len Elliott: Thank you.

The Chair (Mr. Peter Z. Milczyn): Is a representative of the Ontario Nurses' Association here? No?

UNITED STEELWORKERS

The Chair (Mr. Peter Z. Milczyn): Then we've had a request from the United Steelworkers if they could use an earlier slot, so I'll call them up. Sylvia Boyce? Good afternoon, Ms. Boyce.

Ms. Sylvia Boyce: Good afternoon.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, followed by nine minutes of questioning. Your round of questions will begin with the official opposition. As you begin your presentation, if you could please state your name for Hansard.

Ms. Sylvia Boyce: My name is Sylvia Boyce. I'm the United Steelworkers' health and safety coordinator for Ontario and Atlantic Canada. Our union is the largest industrial union in North America. We have over 860,000 members. We're a diverse organization, with members working in various sectors, from industry, education, mining, chemical, glass, rubber, rail, over-the-road transport, forestry, telecommunications, call centres, banking and much more.

We also enjoy a very proud history of securing and defending workers' rights, including their right to safe and healthy work. In fact, the fight for Ontario's hard-won original Bill 70, which ushered in our present-day Occupational Health and Safety Act, in large measure began when the United Steelworkers members in Elliot Lake mine took the rare and courageous step of striking for better working conditions more than 40 years ago. Consequently, we consider it a sad irony that we are forced to respond to a second Bill 70 today, only one designed to weaken—not strengthen—worker health and safety in Ontario.

The United Steelworkers has listened carefully to the responses to union and New Democratic Party concerns on this bill and from the Ministry of Labour and the Chief Prevention Officer. They have not allayed our concerns or our sense of betrayal. Clearly, with section 16 of this bill, this government is intent on serving the agenda of employers and their friends in private industry instead of the very real needs of the working people in this province. That they did so under stealth, burying changes to the Occupational Health and Safety Act in an omnibus budget bill, misused their majority to limit debate in the Legislature, and now, at the eleventh hour, with very little notice, are allowing few public submissions in the short span of approximately five hours tells us that our Ontario government is no better than the Stephen Harper government that they once criticized.

Employer management systems are not proper accreditation systems. In a letter jointly signed by the minister and the CPO, they claim that the Ministry of Labour is looking to provide a framework for employer accreditation and that those changes to the act will provide the CPO a pathway to working with us on the actual development of accreditation. This sounds all very reasonable until one considers the framework to which they refer. It's especially flawed. If allowed to pass, the framework will take us down a path we don't want to go.

If we look at the proposed program name and the definition to be added to the act, we see that these programs are envisioned as being firmly in the control of employers. It is no accident that they are to be called health and safety management systems, with emphasis on the word "management," for, as the definition explains, these are to be "designed to be implemented by employers" only. No mention is made of worker representative participation. It is also noteworthy that nowhere in the definition does it tell us that the aim of these systems must be prevention of hazardous exposures that give rise to worker injury, illness and death. We believe that this is by design as well.

Our members are all too familiar with behaviour-based safety management systems like DuPont's STOP management system, which focuses on watching workers rather than eliminating debilitating exposures and hazards, and actually provides incentives for workers to not report injuries. The United Steelworkers has been fighting these kinds of programs for years. We are convinced Bill 70 will open the door to these truly harmful programs. We also know that the CPO, in his inexperience, promotes these kinds of programs, for we have seen criteria for his innovation grants and youth video contests that specifically encourage an emphasis on worker behaviours, not on workers' health and safety.

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Privatization of health and safety standards is a huge concern. An equally objectionable part of the government's framework and proposed changes to the act can be found under their new section 7.7, which would allow the CPO to delegate his powers for administering health and safety standards to any person outside the government.

In the case of accreditation, these persons will be private consultants who will apply to the government for their proprietary health and safety management systems to be accredited. They, in turn, will have the power to recognize individual employers who use their accredited systems. Of course, they will charge a fee in exchange for this recognition. Thus, profit, rather than real health and safety prevention, is the prime motivation in this system.

Unfortunately, this will not be the only damage that section 7.7 will wreak, for this section also allows the CPO to give away his powers for approval of training programs and training providers to private business interests. Does anyone in this room really think that these businesses will ensure that training meets the needs of workers when we have already seen how business operated under the old, weak certification part 2 standards, where employers could complete this part of the standard with a PowerPoint and send it to those seeking to become certified, or where some businesses, supported by private training providers, only had one significant hazard in need of addressing?

In this environment, the government deals a very destructive blow as well to the Workers Health and Safety Centre. The Workers Health and Safety Centre's

sustainability is ensured with quality mandatory training standards. Without them, they will find it difficult to compete, because they refuse to leave workers unprotected by minimalist approaches to training. Our Steelworkers union is very proud of the Workers Health and Safety Centre training, and we rely on their expertise, as do workers and employers—good, respectful employers—in this province.

When we talk about consultation, I have some concerns about meaningless consultations. In their same letter of assurance, the minister and CPO promised of the accreditation programs: “No program design or standards are contained in the legislation. These specifics will not be developed until after a robust consultation with labour and business stakeholders.”

We see two problems with this assurance, other than that the framework has already been set. Yes, a regulation needs to come after the fact; however, regulations do not get the same public scrutiny. They do not come before the Legislature. What’s more, in the last five years, we have gone through many consultations with this government, and their end game has not changed as a result of consultations. They listened, and they did, in the end, whatever they had decided in the beginning.

Shielding employers from inspections is outrageous. I agree 100% agree with Mr. Elliott from OPSEU and his concerns and presentation. He is bang on.

For similar reasons, the USW does not accept the minister and the CPO’s characterization of recent staff communications around Bill 70 as a “misunderstanding.” In an email from senior staff to the minister’s office, this was said: “This [accreditation] program would recognize employers who implement superior occupational health and safety management systems ... and reduce the burden of unnecessary processes, such as routine inspections.” Attempting to quell the ire of unions regarding this statement, in their joint letter the minister and CPO offered an explanation of the misunderstanding and the promise of consultations. However, they still persisted where the staffer left off, suggesting that their efforts would be better placed pursuing activities other than inspecting, for instance, accredited unionized workplaces, and that this position had to be on the table. This is a non-starter for our union. We will not agree to exempt our members’ workplaces from proactive inspections.

Employer self-regulation in the form of COR: Finally, we have watched with interest the debates in the Legislature over Bill 70 and especially over section 16. Judging by the minister’s defence of this proposed legislation, it would seem the minister has already made up his mind to accredit an employer self-regulation program called Certificate of Recognition, or COR, and this despite the promise of robust consultation. Although he did not name the program he had in mind, the minister said that the same accreditation program is operating in British Columbia, Alberta and Nova Scotia. The only government-recognized program operating in all three of those provinces is COR.

The minister championed COR, stating that “when those programs were put in place, health and safety improved, incidents went down, increased hazard reporting took place, reduced rates of lost-time injuries, improved health and safety environments.”

The minister also counselled MPP Catherine Fife, who was ably challenging the government bill, to do her homework instead of making cheap political points. I am sure Ms. Fife has done her homework, as have we.

The minister is clearly overstating COR’s effect. Studies of COR and programs like it have been inconclusive. We do know, however, in all three Canadian jurisdictions highlighted by the minister, COR-certified employers receive rebates in compensation premiums. In British Columbia, for instance, the participating employers receive a 10% rebate, while Alberta employers receive 20%.

We also know that Alberta’s Auditor General has pointed out serious concerns and flaws with COR on three separate occasions, including the fact that upwards of half of COR-certified employers experienced workplace fatalities, multiple stop-work orders and high disability injury rates, yet still received rebates. As such, COR may just be another rebate program. It’s certainly not a prevention program, in our eyes.

We also know COR is touted as benefiting the health and safety of working people. The conventions of both the BC and the Alberta Federations of Labour reject COR. The BC Federation of Labour recently summed up their considerable experience with COR accordingly:

“COR auditors” are “in clear conflict of interest, whether internal employees” are “chosen by the employer or external industry consultants” are “paid by the employer; their interests” are “based on personal profit or profit”

The Chair (Mr. Peter Z. Milczyn): Ms. Boyce, I’ll stop you there. I let you go a little bit over the 10 minutes.

Ms. Sylvia Boyce: Okay.

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett, for three minutes of questions.

Mr. Toby Barrett: Thank you to the Steelworkers. I’m a former steelworker. We were known as canworkers back then—Canworkers 35. That was when I was 18.

Over the years, I had work where I was consulting on employee assistance programs and working with joint union-management committees, joint union-management health and safety committees, and it was a model that worked. I was involved in that for 10 years.

For the life of me, I don’t know why this legislation, this section 16, as we’ve been hearing all afternoon, has popped up, with very little consultation or discussion. I’m afraid we didn’t know much about this beforehand ourselves.

Why on earth would this be done? Is it just incompetence, like not understanding workplace settings and how to, in the long run, achieve goals? The number one goal is safety, of course. Why is this happening?

Ms. Sylvia Boyce: I can’t answer why the government is taking this approach right now, but my personal

beliefs, and in consultation with many of my labour colleagues and health and safety experts—we believe that this is being pushed through. They are putting the cart before the horse. They should be meeting and, in the spirit of co-operation, speaking with labour and those that represent workers in society, to come up with a proper approach and have an open, transparent process.

We are definitely against section 16 even being discussed. It should be removed. That would be my request today, that you remove it.

Furthermore, if in fact the government does have serious and deep concerns about improving health and safety in Ontario, they need to look at the research. They're considering this COR program. Look at what's going on in those three provinces. There are severe, serious problems there. There is no evidence that it actually is improving health and safety. In fact, there are a lot of flaws and concerns. It's really more of a rebate system, and it's a process, an incentive, to hide injuries and illnesses in the workplace. It's a flawed system. There's enough research and information out there, from the Institute for Work and Health and others, that really should be considered before considering going down this path.

Mr. Toby Barrett: I'm just puzzled. I'll be at the steel mill tomorrow, hopefully with Local 8782. It's down at the Nanticoke-Lake Erie works. Maybe I shouldn't divulge what's happening, but it's good news.

The former company—not US Steel Canada, but US Steel—had a very intensive safety program. It was brutal. That employer—and I think the union would agree with this—had a very, very proactive, stringent, almost vicious safety program, to get everybody on board.

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I don't understand. Unions favour safety, and the employers, certainly in the steel industry, as I understand it, given so many of the risks that are there. This is puzzling. Why would this be occurring? Why put this through without talking to people?

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Barrett. That's your three minutes.

Mr. Toby Barrett: I'm sorry to take up some of that time.

The Chair (Mr. Peter Z. Milczyn): Ms. DiNovo for three minutes.

Ms. Cheri DiNovo: Thank you for that passionate presentation, again, echoing some of what we heard from Mr. Elliott. This is an omnibus bill, and they kind of snuck this in there, similar to Harper's omnibus bills. It's kind of shocking to see a Liberal government follow Harper's lead, but there they have it.

What's interesting to me, too, is that there is, of course, this employment standards review going on right now with consultation—talk about cart before horse. I mean, they've snuck this in there.

I remember that when I was employment standards critic, only one in 100 employers ever saw anybody from the Ministry of Labour walking through their front doors. We had people complaining in our constit office about

not being paid at all, definitely not getting overtime, and all sorts of health and safety infractions. Almost always it was people who were not unionized, who were earning minimum wage or just slightly above it. Their priority was finding another job, not taking their case to the Ministry of Labour, so employers were getting away with all of that.

I can only imagine, without proactive inspections, what will happen in terms of health and safety, because we already have the template from employment standards of what will happen if there's not proactive inspection.

You witnessed it: Minister Flynn stood up and said, "Everything's fine. We've consulted. This is what we need to do and this is where we need to go." This is a man who walked in the Labour Day parade. What do you think?

Ms. Sylvia Boyce: Well, I think that there's clearly a lack of transparency. There definitely has been the cart before the horse. People's lives are really going to be put in serious jeopardy. The whole concept of having proactive inspections removed is absolutely a recipe for disaster. Like Mr. Elliott said earlier, he spoke about the Westray mine explosion, where that mine received a J.T. Ryan award for health and safety when, in fact, they had a horrific, horrific health and safety record. They were being provided with significant, prestigious awards, and health and safety were not being addressed.

Our government needs to work with labour. They need to sit down with the people who know health and safety, they need to give the workers a say in what should be happening and they need to do their research, because clearly they haven't. If they had just looked at what was happening in those other three provinces that are using this COR accreditation program—it's not a safety program. It's not a good accreditation program. In fact, it's something that's going to put a lot of workers' lives in serious jeopardy.

Ms. Cheri DiNovo: Self-accreditation, like self-auditing, isn't really accepted by most folk.

Ms. Sylvia Boyce: No.

Ms. Cheri DiNovo: I guess we all wish we could self-audit our own taxes as well, but that's not going to happen.

Ms. Sylvia Boyce: This only benefits, as I said, large corporations, employers who don't put health and safety first, and private consultants. This is not going to benefit any workers, improve their lives or health and safety anywhere in our province.

Ms. Cheri DiNovo: Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Mr. Baker for three minutes.

Mr. Yvan Baker: Thank you very much for coming in and speaking about this so passionately. We appreciate that very much.

I think you were here when I shared with the previous speaker my story, so I can share with you that I know speak for myself and certainly the other members of the committee, but also, I would say, Minister Flynn, in that protecting the safety of workers is a priority. It's a

priority for me personally because of what I've been through and witnessed, but I know it's a priority for Minister Flynn. He talks about that a lot.

I wanted to quickly clarify something before I ask my question to you, which is that there is no intention for proactive inspections to be suspended. I know you referred to Minister Flynn's letter quite extensively, so I won't read it, except I'm just going to read one sentence that I'm referring to. It says, "Proactive health and safety inspections have been an important element of the ministry's health and safety enforcement and will continue to be." I just wanted to clear that up a little bit because I wouldn't want that to be misunderstood. Proactive health and safety inspections will continue to be important.

What I did want to say also to you was that you mentioned earlier in your deposition—you had a number of specific ideas. My hope, personally—and I think this is the intention—is that those kinds of things that you talked about are the kinds of things that can be discussed and brought forward in the consultation, because as you pointed out rightly, the specifics of what that accreditation process could look like haven't been determined.

What I wanted to ask you is if you could tell me a little bit about how you would like to see this issue evolve during the consultation process that the minister has talked about.

Ms. Sylvia Boyce: Because, as others have said today, this clearly has passed today—the cart before the horse, so to speak. I would like to see that this section 16 be dropped completely and that, in the spirit of co-operation, our government—Minister of Labour Flynn and all of your colleagues—should get together and sit down with us who represent workers and discuss how we might develop and administer a program that builds up working people and that addresses health and safety and does not provide for incentives to employers and further rebates and the process for workers to be afraid to report injuries.

We need to sit down and not implement anything without consulting with the stakeholders who are truly, truly most important in this. They are the workers for whom, for the most part, we're all their voices. Whether we're labour or whether we're not or whether we're representatives in the Legislature, we need to think of the workers. I think that the folks who know them best are the labour movement. I think that we can come up with suggestions and try to work together, but it needs to be a joint process, not implement a plan without thinking about the consequences and where we're going to go later after it has all been said and done, because once it's done, it's done.

Our presenter earlier made a very passionate comment about, "I don't think any of you want to have to go to somebody's door and explain to them why you allowed for no inspections to occur in their workplace, and why their son or their daughter or their husband or their wife were killed and why children are without parents."

I've worked in health and safety for a long time, and there is nothing worse than having to deal with family

members who have lost loved ones because of health and safety negligence and because of profit-driven employers who want to cut corners and they don't take quality training as a priority.

I think that if the government is willing, there are certainly a lot of us in this room who share the same views. They can sit down with us in the spirit of co-operation, and let's talk about how we might develop a system and administer a program that would actually work.

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. Boyce. If you have any further written submissions that you would like to provide, you have until 6 p.m. today.

Ms. Sylvia Boyce: Okay. Thank you all very much.

ONTARIO NURSES' ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our next witness is with the Ontario Nurses' Association. Good afternoon. You have up to 10 minutes for your presentation, following which there will be questions beginning with the New Democrats. As you begin your presentation, if you could state your name for Hansard.

Ms. Cathryn Hoy: Thank you. Good afternoon. I'm Cathryn Hoy, a registered nurse and newly elected vice-president for region 2, the Ottawa area, at the Ontario Nurses' Association, or ONA. Joining me today is Lawrence Walter, ONA's government relations officer.

ONA is Canada's largest nursing union, representing 62,000 registered nurses and allied health professionals, as well as more than 16,000 nursing student affiliates providing care in all sectors.

I am speaking today on behalf of 62,000 members to request that schedule 16 be removed from Bill 70 and appropriate discussions take place with ONA, representing the very workers this legislation is supposed to protect. ONA believes that all of its members have the right to work in a healthy and safe work environment. The sad irony is that the 1977 bill, also known as Bill 70, introduced the promise of a new dawn in Ontario workplace safety. Now the new bill flies in the face of the principles of that ground-breaking 1977 act, including the fundamental rights of workers to participate in their own health and safety.

Despite the fact that ONA has been optimistically and in good faith frequently meeting with all levels of the Ministries of Labour and Health and Long-Term Care, and devoting significant resources to the health care violence prevention tables, no one mentioned Bill 70, schedule 16, to us prior to an email communiqué received from the Minister of Labour and Chief Prevention Officer on November 29, 2016, at 6:49 p.m., after the second reading had been completed.

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We are deeply disappointed with Bill 70, schedule 16, given the productive, collaborative relationship we thought we were building with both the Ministries of Health and Labour, as well as with health care employers, in our collective violence prevention efforts.

The important proposal in the bill is the newly defined health and safety management system, or HSMS. The Chief Prevention Officer's powers are to be broadened to set standards for and accredit the HSMS. There is no mention of worker, union or joint health and safety committee input or review.

An email to labour from the minister's office stated the outcomes of these proposals: "This program would recognize employers who implement superior occupational health and safety management systems, highlighting the great work they are doing to protect Ontario workers and reduce the burden of unnecessary processes, such as routine inspections."

These proposed amendments prevent two of the very aspects that Dr. James Ham raised in the groundbreaking report that prompted the enactment of the Occupational Health and Safety Act, which he agreed are essential to workplace safety success: objective government oversight by way of inspection, and workers' participation in their own health and safety.

External auditing of workplace safety performance has long been accepted as a cornerstone of health and safety success. In Dr. James Ham's words, "Any internal system of direct responsibility will be imperfect and requires audit, not because of any inherent defect in form but because it is a human organization in which conditions of work and concern for the well-being of persons create grounds for tension...."

"External audit can keep the basic internal system alert and responsive...."

Dr. Ham was very clear about the need for worker participation: "[T]he worker as an individual and workers collectively in labour unions or otherwise have been denied effective participation...; thus the essential principles of openness and natural justice have not received adequate expression."

Replacing enforcement with the proposed health and safety management system is controversial, and certainly unacceptable to labour, for good reasons. Research suggests that workers' health and safety is better protected and injuries are reduced by "regulatory health and safety inspections that result in a citation or penalty."

A 2016 study by the non-governmental Institute for Work and Health found that "employers do take steps to prevent work-related injuries for employees when there are direct consequences to them."

When so much points to the need for enhanced inspections, why now does the government propose to eliminate or reduce those very inspections that are intended to keep our workers safe? After signalling a desire to sincerely consult with the Dean expert panel process, why now such a change to our comprehensive health and safety system, buried in a quiet corner of a finance bill that no one has had the opportunity to review or to be consulted on?

Had we been given this opportunity to discuss before the bill was tabled, we would have pointed out that the value of routine monitoring in effecting general and specific deterrence that has long been accepted. We value

accreditation processes, but only as an enhancement of the internal responsibility system, not as a substitute for the necessary external monitoring that helps keep the internal responsibility system working.

Workplace health and safety remain dire in the health care sector, and according to WSIB stats, it's only getting worse. I encourage you to review ONA's infographic, which is attached to our submission, depicting health care sector performance compared to industry, construction and mining. While injuries in other sectors have had a downward spiral since the enactment of the health and safety act, health care has maintained or increased a solid lead in accepted WSIB claims in many areas.

As we know, it's not even the whole picture, as it is widely accepted that violence, exposures and other injuries and illnesses are underreported in our sector.

We also have reservations about transferring health and safety obligations by employers and the Ministry of Labour under the act to oversight by the Chief Prevention Officer. The Chief Prevention Officer's attention to date has been primarily on other sectors and not health care.

Health care facilities have been part of a voluntary accreditation process for years. We acknowledge that it has been valuable for some areas of business but has seriously failed in its health and safety application. Over time, we have heard of the small hospital that achieved the highest of ratings in an accreditation review but, at the same time, failed at a WSIB Workwell audit of its health and safety system.

The most recent example of concern about relying on an accreditation program without benefit of external review is the Centre for Addiction and Mental Health. CAMH's webpage proudly displays an "exemplary" standing from its June accreditation, with one of the four areas of their excellence identified as "prioritizing worker safety." But this is the same hospital that in July received its third conviction and fine for health and safety infractions related to serious beatings and critical injuries of workers.

At a recent meeting of the violence leadership table, we discussed improved accreditation standards with both Accreditation Canada and Health Quality Ontario. These discussions are in their infancy and will not be quickly enacted, but we are unsure of how effective they will be in improving health and safety in the workplace and reducing incidents of violence.

It should be noted that ONA's president, Linda Haslam-Stroud, has been discussing over the last nine months putting more stringent expectations in accreditation standards, expecting that this would be an enhancement. We would never agree to improved accreditation standards as a substitute for proactive ministry inspections, and we would never agree to a program that didn't have legislated mandatory participation of workers, the fundamental and hard-won rights of our members. We cannot support a program that rewards employers by exempting them from external government inspections.

We had extensive discussions with stakeholders in 2007 when WSIB proposed accreditation, but after

months of discussion, they never acted on the proposal. We have had almost a year of protracted discussion on how to enhance the current hospital accreditation program to work to prevent and respond to violence in our health care workplaces. But even after all these months, we still have no resolution.

We hope you can appreciate how these amendments in section 16 are not insignificant things to be quietly tucked into a finance bill and hurtled through the Legislature. We urge the standing committee to take out section 16, and let's discuss this proposed upheaval of health and safety in this province. We have had meaningful engagement on serious issues. Why change that now?

We are mindful of Justice Campbell's sage advice: Health and safety in health care is doubly important. Justice Campbell said that if workers aren't safe, neither are patients. It's that simple, and we all will be patients one day.

All Ontarians have a deep understanding of what you are about to do to our health and safety.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. We begin questions with Ms. DiNovo for three minutes.

Ms. Cheri DiNovo: Thank you very much, Ms. Hoy, for that presentation. My office actually has received complaints from workers at CAMH, because it's not that far from Parkdale–High Park. We have many health care workers who work there, and we're as shocked as you about the award.

We've heard from the government side, saying, "Don't worry about it. This is going to be a consultation process. Don't worry about it. Proactive inspections may still be part of this. Just trust us. Leave it to us." What do you say to that?

Ms. Cathryn Hoy: I do worry about it, because if you look at the numbers in workplace violence from 2014 to 2015, they have more than doubled. If you take out the mandatory inspections, what is going to happen?

I don't know if people really know what violence in hospitals is for nurses. We are talking about guns, machetes, knives, knife credit cards, hair-pulling, closed-fist punching, spitting. We depend on these audits. This is very, very serious. It would be very scary to think, in this day and age, that mandatory inspections would come out.

If a police officer was treated that way, that person would be arrested and put in jail. But it's acceptable for that to happen to health care workers? It isn't acceptable. I think the general public thinks that it's part of our jobs to take that, and it absolutely is not. We're there to care for people; that's why we're nurses and that's why we went into the field. But we need to be safe and we need our government to make sure that we are safe.

Ms. Cheri DiNovo: As you know, Bill 70 passed this morning. So what do you intend to do to keep up the pressure on the government to make sure that this section comes out?

Ms. Cathryn Hoy: I'm going to let Lawrence answer that.

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Mr. Lawrence Walter: Sure. As Cathryn mentioned, our president, Linda Haslam-Stroud, is at the violence leadership table. We'll take matters under consideration. Just on the consultation piece, we've been consulting with the government for almost a year now at that table, and we just don't understand why the government wouldn't at least raise that they are considering this accreditation process with us at that table—silence.

It doesn't give us a lot of confidence in a consultation process after the fact. Obviously, the government has a majority and is able to have this legislation passed. We'll take that under consideration and deal with it through whatever venues we come up with.

Ms. Cheri DiNovo: Thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker for three minutes.

Mr. Yvan Baker: I just want to make a few points and then ask a question, if I may.

First of all, you may have been in the room, I think, but I wanted to reiterate my personal experience with health and safety. As a young man, one of my first jobs was on a worksite where we worked with a lot of heavy equipment. In that particular workplace, people took a lot of precautions to make sure people were safe, and probably in most workplaces that happens.

I certainly appreciate how important it is. I personally was on a site, on a different occasion, in a different role, when someone was killed on a site. I know how important this is personally, and I know I speak for members of my caucus and for Minister Flynn, who talks a lot about health and safety, frankly, that this is a priority for all of us to get right.

The second thing I wanted to do was just to clarify something. Ms. DiNovo has mentioned a couple of times that the bill has passed. It's important to clarify that it has passed second reading and this bill is proceeding, as far as the order of things, in the way every other bill proceeds, where there is second reading debate; and the bill passes second reading, which is what happened this morning. Then there are consultations with stakeholders; that's what we're doing right now. Then it goes back for third reading debate and a vote in the Legislature. I just wouldn't want you to misunderstand. The bill hasn't passed; it has passed second-reading stage, which is typical.

I want to thank you for your efforts in health and safety for nurses. I've been told by the ministry about all the work you're doing and I know you're playing an important role in that. I also appreciate your efforts at the leadership table, so thank you for all of that.

The ministry has talked about the consultations moving forward. I guess what I'd like to hear from you is how you'd like to see this issue evolve during those consultations.

Ms. Cathryn Hoy: We'd like to see section 16 removed.

Mr. Lawrence Walter: We've been consulting with the ministry, as you mentioned. We just cannot under-

stand why the ministry didn't come to us on an accreditation program. We've been talking about accreditation at the leadership violence table. There really hasn't been a great deal of resolution during that consultation. To have consultation after a bill has already been tabled and introduced and pretty much passed without any consultation—we don't have a lot of confidence in consultation coming forward.

Obviously, we'll participate because we're interested in the health and safety of our members. But I can tell you, what we're asking the committee to do now is to vote to remove section 16 from Bill 70. And then let's have the consultation and move forward with a health and safety system that will protect workers in Ontario. That's what we're all here for.

Mr. Yvan Baker: Time, Chair?

The Chair (Mr. Peter Z. Milczyn): That's three minutes.

Mr. Barrett for three minutes.

Mr. Toby Barrett: Thank you—I was going to say O-N-A. It's ONA?

Ms. Cathryn Hoy: ONA.

Mr. Lawrence Walter: Yes. Either way.

Mr. Toby Barrett: Okay. I spent 20 years with the Centre for Addiction and Mental Health on the addiction side, over at 33 Russell Street, at the clinical institute. Within that workplace, my office—I was in communications, but my office was above emerg. We were part of a rapid-response team, for the safety of the patients as well as the people working with patients. I wasn't working directly with patients, but within 30 seconds, I could get down to emerg if there was a problem. This is back in the day of methamphetamine cases coming in and injuring staff and injuring themselves because they were just right out of control.

My business wasn't direct treatment or health care; I wasn't a nurse or anything like that. But this issue was uppermost. It was on our minds, and we talked about it. We'd have our little staff meetings, and it was always there, and there was a modicum of training.

I'm shocked when I read here—I'll just maybe read it for the record—that “no one mentioned Bill 70, schedule 16, to us prior to an email communiqué received from the Minister of Labour and Chief Prevention Officer on November 29, 2016, at 6:49 p.m.”

That was just last Tuesday. This is Thursday.

Ms. Cathryn Hoy: Exactly, and after business hours at that, so, really, the next day.

Mr. Toby Barrett: And I didn't know about this communiqué.

So we're sitting here, making decisions. I'm not an expert in labour relations or health treatment, necessarily, although I did work in the field for 20 years. Safety is so important. In your business, the patient is number one. Of course, those working with patients are in need of assistance, which can, obviously, indirectly harm the patient if you're not being protected.

Are they just out of touch? Is this incompetence? Did someone have a great idea on Monday, maybe, and sent out a memo on Tuesday? What happened here?

Ms. Cathryn Hoy: I have no idea.

Mr. Lawrence Walter: I'm thinking that maybe different areas of the Ministry of Labour weren't talking to each other. Maybe the Chief Prevention Officer doesn't realize what's going on at other tables around violence prevention efforts and the talks around accreditation.

ONA spent a great deal of time doing a consultation with WSIB in 2007 around accreditation, and that proposal never went anywhere.

We are completely dumbfounded, really, at why the consultation didn't happen earlier around what they're proposing in schedule 16.

We've consulted with the government on a number of other issues—most recently, as I mentioned, around the violence prevention initiatives. We're ready to consult. We're here. We don't understand why they haven't approached us.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. That's all of our time. If you do have further written submissions you'd like to submit, you have until 6 p.m. today.

Mr. Lawrence Walter: Yes. What we've left with the committee is our written submission.

The Chair (Mr. Peter Z. Milczyn): Thank you.

Ms. Cathryn Hoy: Thank you.

UNIFOR

The Chair (Mr. Peter Z. Milczyn): Our next witnesses are from Unifor. Are you in the room? Good afternoon, gentlemen. You will have up to 10 minutes for your presentation, following which we'll have questions, beginning with the government side.

As you begin your presentation, if you could please state your name for Hansard.

Mr. Terry Farrell: Yes, good afternoon. My name is Terry Farrell. I'm a national rep for Unifor Canada, working in the political action department.

Today, I have with me John Breslin, who is the director of skilled trades for Unifor; Phil Fryer, who is a national staff rep in the skilled trades department; and Dave Cassidy, on the far right. Dave is the financial secretary of Local 444, and he's also the president of the Canadian Unifor Skilled Trades Council.

John Breslin will lead off today and explain our position on Bill 70, schedule 17. I would ask John to go first. I thank the committee today for hearing our position.

John?

Mr. John Breslin: I hope everyone can understand my accent. I've actually been in Canada for 30 years, and this is my best Canadian accent.

Mrs. Cristina Martins: Fabulous. Love it.

Mr. John Breslin: Thank you.

Schedule 17 of Bill 70: the demise of the skilled trades in Ontario.

The Liberal government has introduced amendments to the Ontario College of Trades and Apprenticeship Act

that will dilute the enforcement powers of the Ontario College of Trades and devalue a certification of qualification and the compulsory trades designation.

This government is creating an unsafe workplace and telling skilled trades professionals and apprentices that their investment in training is a waste of time and money.

The Wynne government has chosen to hide these damaging amendments from public scrutiny by attaching them to an omnibus bill.

There are currently 22 compulsory trades in Ontario in which a person must be certified, or be registered as an apprentice in a given trade and a member of the college, to work or be employed in that trade. Certification is compulsory to ensure that anyone engaged in the practice of trades which pose risks to workers, public safety or consumer protection are trained and sufficiently competent to perform work properly and safely. The certificate of qualification is the only demonstrable proof of that training.

1530

The government's proposed amendments will now allow individuals without certification to do work within the scope of these trades. The Liberal government has introduced amendments to the act that allow individuals to appeal a notice of contravention from the college to the Ontario Labour Relations Board. The college has a mandate to protect the public; the OLRB does not. Its primary focus is jurisdictional disputes.

I'll give you a scenario: A labourer mounting electrical panel boards and their associated distribution system is given a notice of contravention by the college. The OLRB can determine the person does not have a certificate and is doing work within scope of an electrician, which is actually breaking the law, but now the OLRB can rescind the college's notice of contravention if they don't see many risks to the particular task. The danger in this notion is that what may appear to be a simple task, if done incorrectly, could lead to a hazardous fire and possible serious injury or death. Similar scenarios could play out in any of the compulsory trades, not just in construction.

The certificate of qualification and compulsory trade status would become meaningless if the OLRB is allowed to break out tasks within a compulsory trade. It also neuters the regulatory body mandated to protect the public. Business will benefit from using cheaper labour, but the cost could be lives and, ultimately, higher expenses when work is done improperly. The province takes a massive step back in consumer protection and in promoting skills and training.

In conclusion, schedule 17 needs to be removed from Bill 70 and sent to committee to allow proper debate and public scrutiny of the impact of these amendments. If passed in its current form, these amendments will increase risks to workers and the public.

Mr. Terry Farrell: We're going to ask Phil to supplement that, and then Dave will be available for questions. Go ahead, Phil.

Mr. Phil Fryer: Phil Fryer, Unifor's national skilled trades department.

The Liberal government is creating an unsafe workplace and telling skilled trades professionals and apprentices that their investment in training is a waste of time and money. Why are skilled trades suddenly being treated differently than other professions? Who benefits from lower labour costs and who stands to lose when potentially dangerous work is done by under-trained individuals? It looks like corporations win and skilled trades professionals and the public lose.

What message does it send to the more than 200,000 certified trades professionals across the province who have invested in skills training so that they can provide quality work and maintain the highest safety standards? What does it say to the employers who have invested in hiring the best-trained individuals to make sure our buildings, homes and transportation systems are renovated and built safely?

We don't understand how the government can say on one hand that they want to build a skilled workforce, and then turn around and say that you don't need to be trained to do complex and potentially dangerous work. Schedule 17 needs to be pulled from this omnibus bill and sent to committee, where the ramifications can be subject to public scrutiny. Thank you.

Mr. Dave Cassidy: Well, I was just going to answer questions, but I would feel remiss if I didn't add a little bit. I'm from Windsor, and this issue around the scope of practices with the Ontario College of Trades did originate from Windsor, as you all know.

The biggest issue that is very troublesome to us is the risk of harm. What does that risk of harm mean? I'm a 309 electrician. I'm a compulsory trade. With that risk of harm, I know that I can't go in and do certain electrical work at different places of residence—I can do my own—unless I'm certified. Eroding away what the trades, as we know it, do—we believe that potentially, under the scope of practise, this would happen.

Since 2009, our union has been going around the province to try to develop what the Ontario College of Trades was going to look like. We've been involved since its inception, and we promote and support it. I think it was indicated back in the day, under the Tim Armstrong report, what the actual act was going to be all about.

Until the Tony Dean report came out, we were fine with everything that was going forward. We have some issues around the Ontario College of Trades. It's some growing pains, as every new organization has, but with this schedule 17, potentially, it could really splinter what the trades are as we know them today.

When the Ontario College of Trades came into its inception, it was for the trades, by the trades. That was their slogan: For the trades, by the trades. When it left the MTCU and we put the two acts together and formed the Ontario College of Trades—I think now that it could, with the enforcement being eradicated away to the Ontario Labour Relations Board etc., put the public at risk. Based on what somebody like myself, as a licensed journeyman, knows about what the trade is and if it

eradicates what my trade is, then it could put the public interest at risk.

Mr. Terry Farrell: I would just like to add, as well, that we've had ongoing consultations with the ministry and with the minister. We met today. We didn't have a concrete resolution. We felt that it was necessary to move forward with our deputation today—just to clear that up.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. We'll proceed to questions. This round will start with the government side: Mr. Baker, for three minutes.

Mr. Yvan Baker: Gentlemen, thanks very much for coming in today. I appreciate that. I've said this to the previous speakers, in a different context, but I think one of the priorities for the minister, and I think for all of us on this side—I've had some personal experiences, myself—but health and safety and the issue of protecting workers is really a priority. I want you just to know that.

As I think back on this issue and what's led to this place, we've had two consultations, led first of all by Tony Dean and then Chris Bentley, and they both came up with similar recommendations. Of course, different groups have different views on this particular issue and obviously this is a compromise, right? This is what this has come to.

To emphasize the point around the compromise, I wanted to read a letter that I received and I know others received as well. This was directed to the Premier from LiUNA: "For the last few years, the Ontario College of Trades has created several issues in the construction industry primarily with the compulsory trades used in Ontario Colleges of Trades as a method for usurping jurisdiction. In order to rectify these problems, Tony Dean investigated and made recommendations that were not immediately implemented.

"Since then, Chris Bentley was hired to find solutions to implement Tony Dean's report. Presently the compulsory trades are upset that the college will change and not allow them the possibility to steal other trades' jurisdictions. My understanding is they will protest your government's implementation of the Dean and Bentley recommendations.

"I would like to take this opportunity to remind you that the protest group represents less than 5% of the trades. LiUNA alone has 90,000 members in Ontario and the other non-compulsory trades make up the rest, and far outnumber those who are protesting against what is right and what the college of trades was truly designed to do. On behalf of the 90,000 members of LiUNA, our expectation is that your government implement the recommendations of the two very capable and respected individuals."

So I guess my question is, why do you think that there is this disagreement amongst groups?

Mr. Dave Cassidy: First off, you said that the Dean and Bentley reports were close. I would beg to differ. In the recommendations that came forward, there are about three or four different things that weren't ever agreed upon. That's one thing.

As far as the jurisdiction of LiUNA goes, this was about public safety. As I said, where this originated from was with LiUNA in Windsor on the Herb Gray Parkway.

I'm trained, as an electrician, to do my scope of practice. If it becomes a jurisdictional issue where I'm going to have somebody who is not qualified to be able to do my scope of work, then that becomes an issue. That's public safety, so that's why we continue to push the issue based on the public's safety. That's why the Ontario College of Trades, not just based on the trades but even with the process of issuing tickets etc., when they went out—the mothership, I guess—looking at who was doing illegal work etc., wasn't licensed or qualified to do the work. That's where this came from.

1540

To your question: The scope of practice and the jurisdictional work have been there forever. This is not something new. Now we have a policy in place that would be able to say, "You cannot do this work. You're not trained in this work." That would be like me going to do somebody else's work. I'm not trained in that work. I can't go out and do that work.

As an electrician, I can't go wire your house. If I were a master electrician and I had certain regulations and qualifications, then I could go do that. I could pull a permit and go do that. But I'm not certified. This is deskilling on what happens based on the work and scope of practices on each job site.

By the way, our union is on this issue. I represent every single trade. I am an electrician, but I represent every single trade, so this isn't me as an IBEW or a pipefitter or whatever. We represent every single trade across our union—60,000 trades—but it's every different trade. We do not want to be like BC is today and deregulate it. We do not want to be the lowest skill level that we have in the province of Ontario.

Our goal is to have a pan-Canadian apprenticeship program that you can take right across the country, like the Red Seal, and we're going to have highly skilled, qualified skilled trades. That's why—

The Chair (Mr. Peter Z. Milczyn): Thank you. We'll move on to the official opposition for their three minutes.

Mr. Toby Barrett: There's only three minutes. There's one of me and four of you. I think it might be important to hear a bit more from you, because we kind of got blindsided. This is a budget measures bill. I thought maybe we'd be talking about the debt, the deficit and things like that.

I'm the ag critic. This is the finance critic.

Would one of you gentlemen like to continue, because everything is tape-recorded and in Hansard, and get something on the record? Maybe just some concluding remarks.

Mr. Phil Fryer: I would like to go back to answer the previous question a little bit.

Mr. Toby Barrett: Sure, by all means.

Mr. Phil Fryer: I'll let one of my colleagues finish off the closing remarks.

LiUNA may represent 90,000 members—I'm not sure—but they don't represent 90,000 skilled trades workers. They represent craft people and labourers. These are the people who want to do this certified work, and that's why they've written the government that letter.

We are from Unifor. We represent 320,000 members, and 60,000 of them are certified trades members. Yesterday, on two or three days' notice, we joined forces with the labour movement and put approximately 3,000 members protesting on the front lawn. That's what we did in two days. If we have a week, we'll put 10,000 or 20,000 tradespeople on that front lawn.

This section needs to be pulled.

Mr. Dave Cassidy: And on the Dean report: We were in front of Tony Dean, and we gave our submission at that time, as well. It's interesting. Tony Dean is not a compulsory trade. He is a millwright, and while he might understand some parts of being a millwright, that becomes an issue, because when somebody goes in and talks about this letter that comes out from LiUNA—I have to go through an apprenticeship program of 9,000 hours. I could potentially be a craftsperson who would go through for 1,500 hours. If that person with 1,500 hours is going to work on something that I've been trained on for 9,000 hours, there is a discrepancy there, based on that.

The other part is that when it was going through for the appeal process, through the ticketing if somebody was working illegally with the Ontario College of Trades—now, with the process of the Ontario Labour Relations Board, we're not sure what that means to us. Shall it go through the board? Should they look at what the Ontario College of Trades has on the specifics around the act? There is some grey area around that. That's another issue that is troublesome to us.

Mr. Toby Barrett: Yes, maybe this should come back under labour legislation or education legislation.

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett, that's your three minutes.

Interjections.

The Chair (Mr. Peter Z. Milczyn): Ms. DiNovo will have questions for you, so we'll see what that covers. Ms. DiNovo, three minutes.

Ms. Cheri DiNovo: Full disclosure, Chair: I'm also a member of Unifor, so hi. I'm not a skilled tradesperson, though.

I just want to go back to the consultation process here. This was two schedules, as you heard Mr. Barrett talk about, that were stuck into a bill that doesn't seem to have anything to do with them.

You had mentioned that—you've been consulted now. Were you consulted before? Did you know this was coming?

Mr. David Cassidy: No. No, we didn't know it was coming.

Ms. Cheri DiNovo: Okay. Why do you think you weren't consulted before? Why do you think the government didn't want to give you a heads-up about this?

Mr. Phil Fryer: I could answer: because they knew that we'd fill up the front lawn, which we'll do again if

they don't pull this bill. That's why they didn't consult. They tried to sneak it in without consulting us.

It came out of the Dean review, and now it's under an omnibus bill on finances. This has nothing to do with finances; this has everything to do with skills in the province of Ontario—nothing to do with finances. There's not a dollar in this.

Ms. Cheri DiNovo: You gentlemen know better than anyone that we're adding about 100,000 new people in Toronto and we're building like crazy in this city. Who is going to benefit from this, if this stays in? Who would benefit from this?

Mr. John Breslin: Who's going to benefit from this? I can tell you: The underground economy is going to benefit from this; general contractors will benefit from this. It's like a doctor or a lawyer who goes through school and a certification. Are we going to start sewing people up because we think we can sew, as part of being a doctor?

It's shameful, what they're doing to discredit us. If you're trying to encourage young people to become certified and become a skilled tradesperson, what it does—and I'll refer back to the 90,000 from LiUNA who are not tradespeople; they are craftspeople. What they're saying is false.

We look after over 60,000 skilled trades in about 22 sectors—every trade you can imagine, from a pipefitter through a millwright, electrician, tool-and-dye and all different trades. Their goal is to become certified. They do an apprenticeship of 8,000 to 9,000 hours. It has been referenced that, after 1,500 hours, you could be deemed a craftsperson and work with LiUNA.

We made this very statement on the lawn yesterday. We are not looking to take the work from anybody—nobody. We don't want to take work from LiUNA or EllisDon or anybody else you want to mention. All we want to make sure is that certified people do the work they're certified for. That's it. We don't look to poach from anybody, to steal from anybody. We're not interested in that, although we've been accused of that. We just want to protect the certification. We go to school and we work in our job place to obtain a certificate of apprenticeship and a certificate of qualification.

It also affects the mobility that we're trying to introduce. We have a pan-Canadian apprenticeship program, which will affect apprentices in Ontario. It has been said that, if this bill goes through, Ontario will become the least skilled province in Canada.

We're looking at a second-year apprentice in Ontario who may lose his job for no fault of his own. So guess what? We're trying to put a harmonization program in where he can use his two years and second-year status and go to another province. This does not allow me to do that, when you devalue what he has already done in two years. He would have to go back to the start of his apprenticeship program, and who's going to take him on then? Not only does it devalue the trade; it will not encourage young people to become tradespeople.

We are proud of having our licence. I'm in Canada because I'm certified to work in Canada—from Scotland

over 30 years ago. For my licence, I had to come here and write a certificate of qualification, though, which I did. I'm very proud of my licence.

I think that it's shameful, what they're trying to do—just to reiterate what my colleague said—to put it in an omnibus bill in amongst a whole bunch of things that do not affect us. We would ask that it would be pulled and given a specific time for schedule 17 to go to committee so that we could have a proper discussion on this and get to the bottom of it and commit to an agreement that makes everybody in Ontario safe and also protects our certification, which we're so proud of.

The Chair (Mr. Peter Z. Milczyn): Thank you, sir. Thanks for coming in this afternoon and sharing your views with us. If you have anything further that you would like to submit in writing, you can do so until 6 p.m. today.

Mr. John Breslin: Okay, thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you.

ONTARIO SHEET METAL WORKERS' AND ROOFERS' CONFERENCE

The Chair (Mr. Peter Z. Milczyn): Our next witness is from the Ontario Sheet Metal Workers' and Roofers' Conference. Good afternoon, gentlemen.

Mr. Tim Fenton: Good afternoon.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, following which there will be questions. Your round of questions will begin with the official opposition. As you begin your presentation, if you could please state your name for Hansard.

Mr. Tim Fenton: Good afternoon. My name is Tim Fenton. I'm the business manager of the Ontario Sheet Metal Workers' and Roofers' Conference employee bargaining agency. We represent two construction trades: the sheet metal workers, which is compulsory, and the voluntary trade of roofers. Beside me is Mr. Eric Comartin, our in-house legal counsel.

1550

I was out on the lawn yesterday, along with the other 1,000 or 5,000—whatever the number is. There were a lot of upset people out there. On the short notice, we had a lot. Give us a little bit of time and we can keep filling this lawn up. They're very upset about the idea that people can come in, unskilled and untrained, only recognized by an employer, maybe, that they have certain qualifications to do a scope of work or a sector of work that our members are continuously training for, upgrading for and gain a very good living at.

We're a little upset—more than a little; we're upset—that this kind of legislation can come in a finance bill. It has nothing to do with finances. It has everything to do with the quality of a tradesman. It's coming through and being rammed through without any consultation on the content, and this is the only time we get: 20 minutes.

We were around when Dean did some reviews. He wasn't listening, and I don't think Bentley has listened either. The College of Trades has been up and running

since 2013. That's three years and change. There was plenty of time in those three years to figure out some of these things, rather than coming in at the last minute and burying them in a bill that has nothing to do with them, and making them difficult to address.

We were on the lawn yelling and screaming yesterday. We're going to be back. We're going to be back in front of constituency offices. This isn't going to go away until you guys take it out. Take schedule 17 out, take schedule 16 out and put them where they should be: as a separate bill. Let it be addressed that way.

The Chair (Mr. Peter Z. Milczyn): So Mr.—

Mr. Eric Comartin: Actually, Mr. Milczyn, I have some comments as well.

The Chair (Mr. Peter Z. Milczyn): Okay.

Mr. Eric Comartin: In addition, I have in my hand a letter that was provided by the Ontario Sheet Metal Contractors Association, which would be the association that represents employers across Ontario in the sheet metal trade. They are the employer bargaining agent. This letter was provided to Premier Wynne and Minister Flynn earlier today or late last night. I brought copies for the committee—

Interjection.

Mr. Eric Comartin: Yes, I've got 25 copies, Mr. Rennie.

The Chair (Mr. Peter Z. Milczyn): We'll distribute them.

Mr. Eric Comartin: I want to thank the committee for letting us appear today. We were given the abundant amount of notice of approximately three hours. I got a call at about 11:30 to appear today at 3:30, which doesn't make me unusual, because I understand that all of you are a bit surprised that we're here as well.

Some of our counterparts in some of the other trades and the employer associations are not able to be here today, simply because of their schedules and the late notice with which they were provided an opportunity to speak.

I'd like to say that this is unusual, but I have to say, in regard to the process by which we came to schedule 17 in Bill 70, it is entirely consistent. That may sound like a surprise to some of you—I understand that you're all busy, but I've come here today to speak, and I'd be grateful if you could pay attention to me while I'm speaking. Mr. Dong? Thank you. Please?

Mr. Han Dong: I am listening.

Mr. Eric Comartin: Okay. It's hard to tell because you're—

The Chair (Mr. Peter Z. Milczyn): Please address the Chair.

Mr. Eric Comartin: Mr. Milczyn, I'm in your hands in how you want to operate.

The Chair (Mr. Peter Z. Milczyn): I'm listening, and please address the Chair.

Mr. Eric Comartin: That's fine. I'm here to appear before the committee.

The reason why I'm being very specific at this time is because there has been a lot of comment about Mr.

Dean's report, Mr. Bentley's report and this bill and how they coincide. I want to be abundantly clear: I have been a part of this on behalf of my client, the Ontario Sheet Metal Workers' and Roofers' Conference, this entire process, and I have to tell you, not once has anything I've said appeared in any of the material either from Mr. Dean or Mr. Bentley. It certainly doesn't appear in schedule 17. So for this government to say that they have consulted—they may have consulted in the sense that they may have allowed me to speak, but not a single thing is represented in those reports. They ignored virtually everything we said—not just us, the sheet metal workers, not just the IBW, but our representative employer associations. Everything we said is ignored. It doesn't even say, "We heard this. This is what they said. We considered this." It's not there.

Then we get omnibus legislation. Let me be clear: This legislation is not consistent with what Mr. Dean said; it is inconsistent, in many respects. I get the sense it is what the government wanted Mr. Dean to say.

We got this legislation two weeks ago—no consultation, no advanced draft copy, nothing. I have to tell you, it is so flawed as to be something that can't be saved. In our view, it ought to be pulled, simply from a process standpoint. It is completely improper to be part of this finance bill. But it needs to be rewritten—not amended; completely rewritten, with the appropriate consultation, with the appropriate effort, and, let me be even more clear, with the appropriate legal opinions.

If I was this committee and I wanted to do a good job on this schedule, I would ask for the minister to come here and appear and I would ask him, "Who wrote this? Why did you write it?" Whoever it was who wrote it, I would demand to see that person too. I want to see who wrote this legislation and how they made it so absolutely inconsistent with the College of Trades act, in my view, as it is untenable.

When I was preparing these comments today, I was reminded—I'm contemplating what I'm going to say, and I have to say that they were relatively conservative, those comments. But as I was driving today, I was thinking of the movie *Pulp Fiction*. There's this character, Marsellus Wallace, and he's the big boss. He's telling Bruce Willis, "You got to take a dive. You take a dive in the fight." He says to Bruce Willis's character, "Look. You're going to get to a point and there's going to be something sticking in you and that's pride. Pride is what's sticking in you."

Well, I'm here to appeal a little bit to you—this is directed primarily to the government members—to some of your pride. To extend the example, Marsellus Wallace is whoever wrote this, right? This legislation here, this is the bad guy. Whether it's from the minister's office, whether it's from the Premier's office, I don't know. And I'm asking you, as Bruce Willis, not to take the dive. In my role here, I'm your conscience and I'm asking you not to do it.

But if you're not going to listen to me, and I assume you think I'm somewhat partisan in this, I want you to

think a little bit about something that someone far more eloquent than I am said. He said it approximately 20 years ago. I picked it up because I remembered it. I used to work in this place and I remembered this guy. He is, despite the fact we are politically different, very eloquent. Back on December 5, 1995, Sean Conway talked about omnibus legislation. If you don't know who Sean Conway is, I recommend you go and find some Hansard things. He was just a really great speaker and an outstanding member of provincial Parliament. When he talked about omnibus legislation—I paraphrase. This is Ontario Hansard, December 5, 1995:

"To bring forward a bill of this magnitude, introduced on November 29, 1995, and to say that without any delay and without any public hearings it shall be passed as one massive undertaking within five to 10 or 12 days is to add insult to injury."

To this government I say: If you don't listen to me, why don't you listen to Mr. Conway, your former colleague? This is exactly what he was warning about. And I'm happy to provide copies of that.

Subject to any questions you have, those are our submissions in this regard. I urge this government, on behalf of the Ontario Sheet Metal Workers' and Roofers' Conference, to at least—at the very least—pull this for further study. Even if you don't want to send it as a separate bill, pull it. Get some information; make sure you get it right. All we're asking for is sober second thought. All I'm asking for is exactly what Sean Conway was asking of Mike Harris in 1995.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. You are—

Interjection.

Mr. Eric Comartin: Actually, don't be like Mike, Mr. Rinaldi.

The Chair (Mr. Peter Z. Milczyn): Mr. Rinaldi, you're out of order.

You were exactly on 10 minutes. This round of questions goes to the official opposition. Mr. Barrett for three minutes.

1600

Mr. Toby Barrett: I appreciate your comments. I came in with Mike Harris 21 years ago. Before I decided to run, I sat in the visitors' gallery one night and listened to Sean Conway for about an hour—a captivating speaker. We're both Irish, but he has that gift of the gab. I guess I'm the Irish that listens to the other Irish who talk all the time.

I'll mention another name: Peter Kormos. I sat on committee for many, many days with Sean Conway and Peter Kormos. I'm just wondering what they would have to say about this process.

I just got the latest letter from the Ontario Sheet Metal Contractors Association—and I'm still having trouble catching up, and we've been here all afternoon. Because this is the Standing Committee on Finance and Economic Affairs, I can turn to my finance critic, but we're not necessarily labour experts or education experts or skilled trades experts.

The three minutes: Maybe I'll just turn it back over, because I was just reading one of your last sentences: "We are deserving to be heard on matters that impact the sheet metal industry." Any final parting shots?

Mr. Eric Comartin: Listen, we may come across as somewhat aggressive in this regard, but it's out of frustration. This comes out of frustration. We're not looking to take potshots at this government. We actually think that we can answer some of the concerns that were raised prior to Mr. Dean's retainer. We think we can do that. We think we can do that in a progressive way and we think we can do it in a constructive way.

This just doesn't do it, and so out of frustration, we come to you and say, "Look, we've tried working with you. We've tried different things, and you're not listening." We're not looking to take sucker punches; we're not. But if we're left with no other device, then we have to become a little bit more aggressive, and what you saw yesterday was a small part of it.

So work with us. Just put it aside, and let's work it. If there are these complaints from people who don't pay money into the compulsory trades and don't pay money into the College of Trades, let us see what we can do.

This doesn't answer this, though. This makes it worse.

Mr. Victor Fedeli: Chair?

The Chair (Mr. Peter Z. Milczyn): Forty seconds.

Mr. Victor Fedeli: I can do that. Thank you, Chair.

I've asked many deputants the same question: Why do you think the government is doing this?

Mr. Eric Comartin: Look, you want to give them the benefit of the doubt in the sense that they see that there is a problem and there's a squeaky wheel, and that squeaky wheel comes from more than one point, right? But I don't have an answer for you, because it makes no sense.

The amount of energy, effort, money, resources and talent that have gone into building the College of Trades, and the political capital that this government—which we applaud them for, to put this together—to then undermine it so effectively in this terrible, terrible amendment to the legislation just strikes me as the tail wagging the dog. There is no good reason.

I think, really, that whoever is pushing this along doesn't know what they're doing. I don't want to allege incompetence, but maybe negligence.

The Chair (Mr. Peter Z. Milczyn): Thank you. Ms. DiNovo, you have three minutes.

Ms. Cheri DiNovo: Thank you very much. I really appreciate the passion. Thanks for coming forward.

We've got, buried in this omnibus bill—as you pointed out, Sean Conway is against it. So, in fact, were the Liberals against Harper's omnibus bills federally, and all of a sudden, provincially, they're bringing them in, especially two attacks on labour, sections 16 and 17, buried within a finance bill. We're here because you're here.

When we've asked the Minister of Labour, Minister Flynn, he dismisses our concerns, saying that there has already been consultation. Clearly, you've indicated there hasn't been consultation. I guess this is it. You've just been consulted. It's like, "You've just been served."

You've just been consulted. It has gone past second reading already this morning. It was voted on before you were consulted. So now, hopefully, sections 16 and 17 will be removed.

What's fascinating to me is that you've got labourers, you've got workers and contractors here opposing section 17. Like the Conservatives: Who supports this? And more to the point: If they don't take it out, can you tell us what's going to happen? What are you prepared to do if they don't take it out and what do you think will happen coming out of this?

Interjections.

Mr. Eric Comartin: Sorry. I might as well just go ahead.

Listen, I work as legal counsel. I am retained to do the work that my client instructs me to do. There will be various avenues of attack that will be provided. Some of those will be political; some of those will be through the legal process. It seems like a tremendous waste of resources to actually force—look, if I'm the government, the last thing I want is someone like me in the court on this. I don't understand it. Someone like me—and listen, there are far better lawyers on this file than I am. You have some of the premier litigation talent that has been retained because that's how important this is to us. But the last thing the government wants is someone like me spending a lot of time and effort using up my client's resources, but worse, the government is going to have to use their resources and the resources of the people of Ontario to stand in front of something that really doesn't deserve defence. I don't know. I don't know who's driving this.

But I do want to make one clarification: This is not a union issue; this is a compulsory trade issue. I want to make that really clear. We represent sheet metal workers, by virtue of legislation through something that the Conservatives actually brought in back in the 1970s. That's fine, but there's nothing to stop the labourers or the carpenters from representing skilled tradespeople. What this is is strictly about making sure that the person or persons performing the work or paying for the work, like the contractor, like our employer, have the person licensed. So the labourers write this letter—and having been former counsel to the labourers, I know, for example, that they represent multi-trades. So if they had a sheet metal worker or an electrician working, that's fine. There's nothing stopping them from doing that. They can have that person under their collective agreement, or, alternatively, a non-union contractor can have someone perform that work, as long as they're licensed.

What this legislation says is, "You don't really need a licence. We'll just take this piece—you can do that part because it's not very dangerous." Right? "So, you, Doctor, you know what, you can amputate the leg. You don't need a licence to be a medical practitioner to amputate the leg, because it's already gone. There's no risk of harm." Come on. Seriously?

I use that point specifically because of what Mr. Flynn said in the Legislature yesterday in response to this

question, as if to say he's defending the College of Trades like the College of Physicians. You do not have the risk-of-harm assessment to lawyers or doctors to perform work; you either have a licence or you don't. That's all we're saying: You either have a licence or you don't. And if you don't have a licence, there is no review by the whatever—

The Chair (Mr. Peter Z. Milczyn): On that point, we'll go to the government side for their question.

Mr. Eric Comartin: I could continue—

The Chair (Mr. Peter Z. Milczyn): Mr. Dong, three minutes.

Mr. Han Dong: Mr. Fenton, I just want to make a quick point—

Mr. Eric Comartin: I'm Mr. Comartin.

Mr. Han Dong: Oh, sorry; Mr. Comartin. I just make a quick point before I turn it over to my colleague for the question. We sit through these committees for hours, and there are other things happening as well, so we are kind of trained to multi-task. If you look around, every member of this committee will be carrying one of these devices. So I appreciate the intent, but I don't think that it's necessary to mention and to call me to listen to you. I was listening, just for the record, and I appreciate your presence here and your point.

Mr. Eric Comartin: I understand. Sometimes perception is more important—

Mr. Han Dong: With that, Chair, I'll turn to my colleague for his question.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker?

Mr. Yvan Baker: Thanks very much. I appreciate you coming forward and sharing with us your views and doing it so passionately. I appreciate that.

I will say a few things before I ask my question. One is, of course, that the health and safety of workers is a priority, not just for the minister but I think for all of us. Those who have testified before have heard me share my personal experience. I won't do that with you because of the limits on time, but I have personally experienced the importance of health and safety and can appreciate that. I know I speak for the rest of the team here and members of the caucus.

One of the things that has been talked about a little bit is the consultation process. I guess what I wanted to add was that there were, really, from my perspective, two years of consultations, first led by Tony Dean and then, subsequently, by Chris Bentley, both of whom came forward with similar recommendations.

I'm just reading from a letter from the Coalition of Non-Compulsory Construction Trades, and they said, "We understand that some of the stakeholders interested in the college have called for additional consultation. We strongly disagree with any delay moving forward. The government of Ontario has already engaged in two rounds and more than two years of consultation, both resulting in similar recommendations." That's some of the feedback that we're hearing from folks.

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The other thing that was raised, or that I wanted to raise, really, was the issue that after those two years,

we've tried to come to a compromise on this. There are many groups who understand that what this is, really, is a compromise, where even they aren't necessarily thrilled with every aspect of this, but they understand that that's the effort that the government is trying to take.

I wanted to read for you quickly, as an example, from the boilermakers union, from their press release. I won't read the whole thing, just a few lines: "The reason certain trades oppose Bill 70 is that they will no longer be able to use the Ontario College of Trades as a vehicle to displace workers who belong to the non-compulsory trades.

"Every trade trains its members to the highest standards. They are all skilled workers, for whom safety is paramount.... For the certified trades to say the other trades are unsafe is not only untrue, but is fearmongering at its finest.

"The amendments put forward by the government will rectify years of discrimination against these trades.... All we are asking is that our members, who are every bit as skilled as the certified trades, have the same chance to work as everyone else.

"The changes have been discussed through two years of consultation.

"There have been two years of delays in implementing these changes.... It's time to move forward."

I guess my question to you is, in light of these comments from these different groups, why do you think there is that disagreement, and do you agree that it's a compromise?

Mr. Eric Comartin: I'm not going to speak for the boilermakers or any other trade union. I will say that they're not a compulsory trade. They pay no money into the College of Trades, and in no way does this legislation address the things that they're talking about in that correspondence.

Now, unfortunately, Mr. Baker, I wasn't provided a copy of that stuff in advance. However, I do have the coalition of non-compulsory trades—I was given a copy of that. I don't have Mr. Maloney's news release. But they don't pay into the College of Trades. To say that we're taking their work—that can't possibly be the case, because they can't perform sheet metal work. That's the whole point. There is no loss to them.

So we are dumbfounded by the aggressive nature of that press release. But more importantly, there's nothing in—or maybe you can help me, because you are part of the government. What part of schedule 17 addresses that?

The Chair (Mr. Peter Z. Milczyn): Sir, you don't ask questions. We ask questions. And the three minutes are up.

Mr. Eric Comartin: I'm sorry, Mr. Milczyn. I'm responding to his question, where he asked me a question, and I said to him—

The Chair (Mr. Peter Z. Milczyn): In any case, sir, the time for your deputation and the questions to you is up. We have four or five additional witnesses that we have to hear before 6 p.m. today. I appreciate your submissions, spirited as they were. If you have anything further that you'd like to submit in writing, you have until 6 p.m. today.

Mr. Eric Comartin: Actually, I think we're coming to your office soon, Mr. Mileczyn, so I can speak to you there.

The Chair (Mr. Peter Z. Mileczyn): You could very well.

Mr. Eric Comartin: Thank you.

CUPE ONTARIO

The Chair (Mr. Peter Z. Mileczyn): Our next witness is CUPE Ontario. Good afternoon, Mr. Hahn. You have up to 10 minutes for your presentation, following which we'll have questions. Your round of questions will begin with the NDP. As you begin your presentation, please state your name for Hansard.

Mr. Fred Hahn: Thank you. Good afternoon to you all. My name is Fred Hahn, and I am the president of CUPE Ontario. As many of you know, CUPE is the largest union in the province. We represent workers employed in five main sectors: health care, social services, municipalities, universities and school boards.

To begin with, I want to say that our union believes, as do most Ontarians, that it's fundamental and important to our democracy that we, the public, get an opportunity to properly review and comment on pending legislation. That's why we're here today to speak to the committee about Bill 70. But it's also why we are troubled by the practice of presenting omnibus bills that combine a great many pieces of legislation, unrelated by topic, together as one bill, expecting anyone to be able to give it the attention it deserves.

In the case of Bill 70, or, at least, some of the schedules of Bill 70, it's hard not to conclude that evading scrutiny is at least one of the reasons why government might have chosen to package items like schedules 16 and 17 into a 110-page bill with 26 schedules, as opposed to presenting them to the House as a stand-alone piece of legislation. Does anyone believe that a half-day of public hearings, consisting of presentations limited to 10 minutes, to deal with 110 pages and 26 schedules in a piece of legislation is sufficient?

Bill 70 is, of course, a budget bill, and the fall economic statement by the Minister of Finance once again claimed that the budget would be balanced by 2017-18. Shortly thereafter, however, the Financial Accountability Officer observed that it will be impossible for the government to balance the budget by 2017-18 as promised unless they either cut services or raise new revenue. Yet Bill 70 doesn't address these challenges in any way.

We all know that cuts to budgets which would deepen austerity have real, profound and negative consequences for the people of Ontario. Ontario has already lived through years of this kind of austerity, so cuts should be a non-starter. We wonder when the Minister of Finance will finally break with failed tax policy and raise corporate taxes to a high enough level to pay for what we need.

For many years, our union, along with many others, has presented progressive and positive ways to raise

revenues for government to ensure that all parts of our province and the economy are paying their fair share in taxes, so that we can have the services that are so desperately needed in our communities. We can't cut our way to real, shared prosperity for the people of Ontario.

If the provincial budget is going to balance next spring in a way that doesn't cause further harm to communities in Ontario, then we continue to call on the finance minister to raise corporate taxes and to announce other progressive revenue generation measures that will ensure that we stop devastating cuts to services and actually make investments that are needed.

Looking at some of the measures in Bill 70, we wanted to speak specifically to schedule 16, which amends the Occupational Health and Safety Act. For many observers, the initial challenge with schedule 16 is that it contains so little information that it's hard to know exactly what it's meant to accomplish. What is accreditation? How will it be determined? What is the role of labour?

Almost as quickly as these questions were raised, a very unwelcome clarification appeared in the form of an email from the minister's office stating that the "accreditation" enabled by schedule 16 would be used to "reduce the unnecessary burden of routine inspections." That statement, not surprisingly, caused virtually the entire labour movement, including our union, CUPE, to rise in opposition. Recognizing employers who put in place good safety programmes is one thing, but creating justifications for ending routine inspections is simply not part of a road map to safer workplaces in the province of Ontario. It is to the credit of the minister and the Chief Prevention Officer that they have retracted that statement.

It shouldn't be lost on anyone that when legislation was first brought forward for workers to refuse unsafe work, it was in a bill numbered 70. And we're here today, many decades later, debating another Bill 70, which actually flirts with taking away another regular part of occupational health and safety: inspections of workplaces.

That's not the only issue with schedule 16. For example, section 7.7 gives the Chief Prevention Officer the power to outsource virtually the entire accreditation and recognition process, training program approval, deciding who is an approved training provider, the certification of joint health and safety committee members, and the collection of information about workers who have been trained. The very idea of privatizing a core function of occupational health and safety in Ontario is repugnant. We really don't need corporations to make profits while we keep people safe, do we?

But privatization of core health and safety functions, while a major concern, is only one of many. Given that the minister and the Chief Prevention Officer have now both committed to some form of meaningful consultation process on these proposals, and given that consultation would involve labour, and given that how could we ever imagine a joint process of health and safety having any

credibility without having consultation with labour, we would then see the way forward as removing schedule 16 entirely from Bill 70, so that there can be a real and unhurried consultation, to allow the legislation to come back reflecting those discussions and not predetermining them.

Now there's schedule 17, amendments to the Ontario College of Trades and Apprenticeship Act. Perhaps the best way for me to express our union's concerns is to read to you a motion passed unanimously by delegates to the CUPE Ontario trades workers conference which met last week in Niagara Falls. Our union is proud to represent thousands of certified trades members in the broader public sector across the province.

"Whereas the proposed schedule of 17 of Bill 70 ... will, if passed, damage the integrity of skilled trades in Ontario and weaken the ability of the College of Trades to regulate and support the trades and enforce rules protecting the trades,

"And whereas schedule 17 will create new, legal avenues for employers to assign work that must" now "be performed by certified tradespersons to persons not trained and certified, and whereas this not only weakens the integrity of the trades but puts individuals in danger by asking them to perform work they are not trained and certified to perform, and potentially endangers members of the general public as well....

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"And whereas schedule 17 of Bill 70 will diminish the integrity of apprenticeships in Ontario,

"Therefore be it resolved that the delegates of the 2016 trades conference ... gathered in Niagara Falls on November 24, 2016, and representing compulsory and voluntary trades workers from all parts of Ontario unanimously call" for schedule 17 of Bill 70, currently before the Legislature, to be removed before it reaches third and final reading.

That motion was passed by the representatives of thousands of skilled tradespersons who are members of our union.

I probably don't need to remind you, and I know you've heard already from other witnesses, that there were other workers just yesterday here on the lawn at Queen's Park protesting this schedule. It's clear that those most connected to and directly involved in the trades are collectively calling for schedule 17 to be removed from Bill 70.

To wrap up: We're here with just two schedules of a bill that the government is proposing, which is already a massive bill. But these two schedules alone would end routine workplace safety inspections and make it easier for employers to hire untrained and uncertified workers to perform highly skilled work.

In conclusion, just let me wrap up by saying that we really, strongly believe that jamming multiple unrelated controversial schedules together into omnibus legislation frustrates the meaningful review and criticism that is essential to our process.

If government intends to balance the budget by 2017-18 without further devastating cuts to services and

without further harm to communities, then you must, as the Financial Accountability Officer says, find new revenue sources. We would suggest that the best and fairest way to do that is to raise corporate taxes to ensure that banks and Bay Street are paying their fair share, which is essential.

Finally, on behalf of the more than 260,000 workers in every corner of Ontario who are members of CUPE Ontario, and particularly the thousands of trades members whom we are proud to represent, I ask you to withdraw both schedules 16 and 17 from this bill in their entirety before it goes back to the House for third reading.

The Chair (Mr. Peter Z. Milczyn): Thank you, sir. Questions start with Ms. DiNovo for three minutes.

Ms. Cheri DiNovo: Thank you, Mr. Hahn, for coming before us. What you've just said we've heard multiple times during the course of this afternoon, so I guess my first question is: Were you consulted? Did you know this was coming?

Mr. Fred Hahn: No.

Ms. Cheri DiNovo: Okay. We also heard, prior to this—we've had Liberals complain federally about the Harper omnibus bills back in the day, and yet here we have a Liberal omnibus bill, a finance bill, which has two attacks on labour in it, in sections 16 and 17. Why do you think they did that?

Mr. Fred Hahn: I can't speculate on the reasons why, except to say that it would seem to us that a piece of legislation like this one, which has so many different schedules and so many pages, introduced so quickly with hearings called just hours after it passed second reading—it would seem that there was an attempt to have it not be scrutinized by the public. I'm happy, having been here for only a few presentations—all of you have to hear them all—but it does seem like that didn't work.

Ms. Cheri DiNovo: You also talk about the health and safety ramifications, of course, of schedule 16, on routine inspections. How important are those to your members—the fact that you have proactive routine inspections rather than simply reacting to a complaint or an accident?

Mr. Fred Hahn: They're incredibly important, I would say, not just to our members and not just to other members of unions, but to workers in Ontario. The reason we have proactive inspections of workplaces is because those who formed our occupational health and safety law many years ago understood that this was a key component to ensuring that workplaces were safe, that workers were educated about their rights, that employers were educated about their rights and obligations and that this is a key supportive measure.

To imagine that there could be a proposal to remove this key feature of a system that relies on workers and employers working together in a joint system, without any consultation of any sort with representatives of workers, is really quite startling.

Ms. Cheri DiNovo: You mentioned that there were thousands on the lawn yesterday objecting to this. Unifor has said, for example, that they will have 10,000—10

times the number—next time. What are you thinking in terms of, if this is not taken out of this bill? Presumably this is the consultation that you didn't get beforehand. Going forward before third reading, what happens if it stays in? What are you prepared to do about this?

Mr. Fred Hahn: We're certainly prepared to work with other unions who represent skilled trades workers. We're certainly prepared to continue to apply political pressure.

But I think what is perhaps more important is to understand that these changes will result in injury and death in a workplace. When that happens, those who passed it will be held to account.

Ms. Cheri DiNovo: Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you. This round of questions, to the government side: Mr. Baker, for three minutes.

Mr. Yvan Baker: Thanks very much. Good to see you again. The first thing I wanted to share with you is something that I shared with some of the speakers earlier in the afternoon that I'm not sure if you were here for, which is that one of my first jobs was actually as a labourer on a site where we used a lot of heavy equipment, potentially dangerous equipment, and where I saw safety precautions being taken throughout my work. I learned a lot through that. In that particular case, the appropriate precautions were being taken.

Later in my life, I was actually right next to a site where a worker was killed, so from a personal perspective, I want to share with you that when you see something like that, it affects you. From a personal perspective, I completely understand the importance of health and safety workers, and how important that is. I think I speak for my colleagues and the minister, that we all believe that's a priority.

The second thing I wanted to share with you was that there was a little bit of talk about routine inspections and proactive inspections, in the discussion that was just held. I wanted to share with you a segment, a sentence, from the letter that the minister sent out more recently. He said, "Proactive health and safety inspections have been an important element of the ministry's health and safety enforcement and will continue to be." I wanted to dispel any misunderstanding, if there is any, about the role that the minister foresees as far as proactive inspections.

You mentioned the fact that this was a quick turnaround as far as the bill goes, and coming to testify. I appreciate you coming to testify.

I would also want to put this in the context, though. The original intent was not for the bill to be moved along so quickly. There were some procedural measures, designed to delay the bill, brought forward by the NDP, which forced us to move this along much more quickly than normal.

The other thing I wanted to mention was that I know that the minister, in his letter, which you referred to, talks about how this legislation—and you referred to it, frankly, that there aren't a lot of details about the accreditation process in the bill. The way I understand it,

that's by design. The legislation would facilitate the creation of those details, if passed, but through consultation with labour and other stakeholders, those details can be sorted out. I know that the minister looks forward to that consultation, and I know that the consultation is to come.

He talks here about how "no program design or standards are contained in the legislation. These specifics will not be developed until after robust consultation with labour and business stakeholders." That's from his letter. "In terms of consultation, it is the intent of the ministry to consult extensively with labour and employer stakeholders on the design of the program and on standards for accreditation as well as implementation." He goes on to talk about the details of what that means.

I guess my question to you is, what would you like to see out of that consultation process?

Mr. Fred Hahn: I would thank you for the question and say that the initial correspondence from the ministry talked about reducing the unnecessary burden of routine inspections. As long as there is anyone in the Ministry of Labour responsible for occupational health and safety that sees routine inspections as a burden which needs to be reduced—I would think that somebody with the story that you shared about the importance of occupational health and safety would find that quite concerning.

I'd also think that at the end of the day, whether or not we accredit employers is a question. So before you actually understand, from both employers and representatives of workers, whether or not that is the mechanism that makes best sense in terms of enhancing occupational health and safety, what this piece of legislation does is facilitate that happening without any details. Given the kind of consultation that we have not yet really enjoyed in terms of this piece of legislation, it doesn't bode well for the kind of consultation which may come.

It's why we're saying, why wouldn't you just remove this, engage in the consultation that the minister has committed to in this letter, hear openly from both workers and employers, think about how to best strengthen the system and build consensus, and then come back with legislation that could actually articulate that.

It's kind of like putting the cart before the horse.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Hahn.

The next round is Mr. Fedeli, for three minutes.

Mr. Victor Fedeli: Welcome back here. You're a familiar sight in that seat.

You talked a lot at the beginning about what I would have expected Bill 70 to be all about. It is as a result of the fall economic statement, something that I would have thought, much like you, would have actually talked about how you're going to balance the budget in 2017-18. There's no mention of any budget-related issue in there whatsoever.

As you pointed out earlier, it talked about one-time revenues. Of course, that's the fire sale of Hydro One, it's the sale of the OPG building across the street and the LCBO warehouse, using the reserves—that type of thing.

It's unfortunate that we're not here today, Fred, to talk about the budget, as we should be, in this Standing Committee on Finance, but you also said something about ramming it through, and it seemed like that didn't work. I'm sorry, but I think it's going to work for them. I think they're going to ram this thing through, and I think they're going to do it. We're going to come back here to do clause-by-clause on Tuesday. I think they're going to ram it through before we rise on Thursday.

I only have one question—I think Cheri may have already asked it; I've asked almost everyone: Why do you think the government is doing this?

Mr. Fred Hahn: I should clarify what I was trying to say. I think about in burying this in such a large piece of legislation with so many schedules and so many pieces of paper, it would seem to our union that there was hope that it would not be noticed. Those of us who care about occupational health and safety, certainly, those of us who care and could come here today, based on our schedules, are here to comment on it.

It is a mystery to me to understand why this would be incorporated in this kind of legislation. What this does is benefit those who would see their profit margins engaged by employing unskilled workers. It would potentially allow employers to operate workplaces that are less safe in the province of Ontario. In fact, that doesn't save anybody money, except for some corporations perhaps. It may, in fact, cost the province of Ontario more in the long run.

Why these pieces are included here is a mystery to me, and it's why we think it is incredibly important for them to be removed, for them to have the kind of time and attention they deserve as stand-alone pieces of legislation.

Mr. Victor Fedeli: We will be voting against Bill 70, Fred.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for coming in this afternoon. If there's anything further you'd like to provide in writing, please do so before 6 p.m. tonight.

UNITED ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our next witness is with the United Association.

Mr. Vince Kacaba: I lost my partner in crime. There he is.

Interjections.

The Chair (Mr. Peter Z. Milczyn): We're just waiting because there might be a call to vote.

Mr. Vince Kacaba: Are you guys going to run out on us?

The Chair (Mr. Peter Z. Milczyn): If that starts, we'll recess shortly.

Mr. Vince Kacaba: We scared them off, Mike.

The Chair (Mr. Peter Z. Milczyn): Indulge us for a few minutes to see how this proceeds.

Interruption.

The Chair (Mr. Peter Z. Milczyn): The committee will recess for 10 minutes.

The committee recessed from 1634 to 1647.

The Chair (Mr. Peter Z. Milczyn): Thank you for your patience. We left off with representatives of United Association. Gentlemen, you have up to 10 minutes for your presentation followed by questions. Your round of questions will begin with the government side. If you could please state your name for Hansard as you begin your presentation.

Mr. Vince Kacaba: Thank you. Ladies, gentlemen, thank you for having us here. My name is Vince Kacaba and I'm the director of training for United Association, Local 46, in Toronto. We have approximately 8,500 plumbers, steamfitters and welders that we represent—we train, represent and send them out to work—and we have a serious concern with schedule 17. It really has the potential to impact on the viability of the College of Trades.

We worked with the Liberal government to implement the College of Trades six years ago, we being, I would suggest, one of their strongest proponents. It is a valuable tool; please make no mistake about that. It has allowed us to ensure that the right people are doing the right jobs at the right time. When I go into a hospital, I don't want to see a lawyer there trying to operate on me. If you're having an electrical problem, you'd better not want a plumber there because you've got an issue. They are enforcing that. Today I was dealing with one of my own apprentices—and they enforce everything. He didn't have the proper paperwork and he got kicked off the job, which is what should happen. That never happened with the Ministry of Labour. Until the College of Trades came in, nada.

Complacency: There's concern about the lack of skilled trades in this province, and that was one of the ideas, to try to, first of all, improve the visibility of the skilled trades. We are not a bunch of drooling troglodytes that, if you can't do anything else, get into the skilled trades. We're exceptionally highly skilled and intelligent individuals who work on very critical systems. We have members working out at a nuclear plant; we have them working in petrochemicals; we have them working in hospitals. These all impact on the health and the safety of the citizens of Ontario. As soon as you do anything to start denigrating the trades, you impact on that.

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I usually try to make the equation that just because I can give myself a needle or take my blood pressure, that does not make me a doctor. I guarantee someone in here has fixed their faucets, correct? That doesn't make you a plumber. You don't understand the entire system, and that's what being a skilled tradesperson is. You go through a five-year apprenticeship to learn what's going on. As soon as you provide the Ontario Labour Relations Board the opportunity to start piecemealing off our trades, whether it be pipe trades or electrical, it creates an issue. Now, all of a sudden, you have people who don't understand the full concept of a system—and the impacts

that changes make to it—working on it, and that has dire consequences.

Some of you were around in 1976—legionnaires' disease, in Philadelphia, Pennsylvania. Twenty-six legionnaires died because someone didn't understand what a backflow preventer did. It's a unit that keeps contaminated water from backing into a potable water system. Legionella disease got into a potable water system and killed 26 people because they don't have the same regime that we have in Ontario. I've travelled all across Canada and the United States. We are among the best trained on this continent, bar none. If you go down into the southern states, where they have piecemeal—they don't have proper, compulsory certification. You have a hillbilly doing plumbing, and you get what you pay for.

Our citizens deserve the best, and that's one of our concerns with schedule 17: allowing it to be piecemealed off. How could you allow an appointed body, the Labour Relations Board, to supersede the Legislature of Ontario? We've elected everyone in this room—the members—to vote on acts such as this, and now you're saying, "Okay, well, even though the Ontario College of Trades act says this, labour relations—yes, it says that, but it doesn't matter. This is what it is going to be."

You may say, "Well, that would never happen." It already has. I sat at the Labour Relations Board for two days arguing whether or not a sink—and I'm not trying to be patronizing, but everyone knows what a sink is and you typically associate that with a plumber. It's in our scope of trade; it's in the legislation. The OLRB said that carpenters could install sinks under certain circumstances. So there is a precedent for this, to fragment our trades. I can only speak on our trades—I won't speak on the others—but it is a serious concern.

Again, the biggest thing is the value of the College of Trades. It has propelled our trades forward. I now have 1,500 apprentices in our organization being trained, so we are dealing with the perceived skilled trades shortage. But already today, I've got people, apprentices, coming back—because we deliver the trade school—and they're saying, "Why the F am I doing this if my trade is going to be broken up?" How do I answer that? What do I tell them? "Well, maybe yes, maybe no"? They have a concern.

The College of Trades was set up to recognize the skilled trades—and that's what we're dealing with, skilled trades, not labourers, being blunt—and bring us to the same level as teachers and doctors. We all have our own specific nuances, but we all take a great deal of pride in it. Now, all of a sudden, we're being told, "Well, yes, it is a good idea, but you guys really don't understand."

Both Michael and myself sit on the provincial advisory committee for plumbing and steam fitting. None of this came to the PAC for trade consultation. Fortunately, we got a phone call to be down here today. Obviously, this is an exceptionally important piece of legislation that has to be pushed through so quickly.

Again, I don't understand all the ins and outs; I'm just a simple plumber. But we've got to rush it through, apparently.

At the end of the day—I'm speaking only on schedule 17 at the moment—this is something that needs to have some sober second thought. What is the rush to get this done?

Anyway, with that, I'll pass it over to Michael.

Mr. Michael Gordon: Thank you. Just to begin with, I know, Chair, that you mentioned that we had 10 minutes. The notice that we got, because there were two of us, was 20—

The Chair (Mr. Peter Z. Milczyn): Two and a half minutes left.

Mr. Michael Gordon: Twenty minutes; that's the notice that we—

The Chair (Mr. Peter Z. Milczyn): Combined with questions. Sorry about that if it wasn't clear.

Mr. Michael Gordon: Okay. For clarification, number one, the initial concern is time—the time to prepare for this meeting and the rush, as Vince has mentioned. My background is that I am a licensed plumber and a licensed steamfitter. My work is very difficult. I gave up my social life. I had probably 100 friends that I could have called in an instant and I can name the few on my hands that I have left due to the fact of sacrificing about 15 years of my life to do what I felt was a catch-up mode, looking at trades as a second career.

I am very concerned, as a person first, and as a tradesman beyond that, that the entire integrity of what I worked for is compromised and the value of it along with that. I'm going to apologize for our lack of preparedness in that all of the factual items that we would be able to submit are not available to us to prepare, as we just heard news of this and I just actually came here from Ottawa today to make this meeting.

Transparency was one of our first concerns. The potential changes put forward lack due diligence. There is no public consultation. You've been told this; I heard the tail end of a couple of other presenters. It does not support the amount of investment by all the skilled trades in supporting the College of Trades and its mandate to bring value to the trades, the recognition of the professionalism of the trades and the enforcement of the trades, particularly compulsory status trades.

The Occupational Health and Safety Act names a competent person as "person who ... is qualified because of knowledge, training and experience to organize the work and its performance ... is familiar with this act and the regulations that apply to the work, and ... has knowledge of any potential"—that's a big word there, "potential"; that's where the experience comes in—"or actual danger to health or safety in the workplace."

These concerns in bringing value to a competent person listed as a licensed plumber or steamfitter or electrician or sheet metal mechanic—any of the compulsory status trades—are of great concern, because we address what we work on as systems.

The concern within this bill is fractioning out or splintering out facets of the trade as "compulsory" versus

“voluntary.” There is no way that a person could train—I could teach my child to assemble threaded pipe, but understanding the nuances of pressure, temperature and the dangers inherent with those things, as well as the explosive or energy potential of fluid within that piping, is different based on every system.

I am a plumber and a steamfitter. I understand those systems, but I may not have the nuances to understand systems that are outside of those trades that use threaded pipe.

Electricians use threaded conduit. They use the same machines we do, and you could take threading and name that as a voluntary facet of the trade but there are clear differences in what is carried within that conduit for a system that could be in the hundreds of pounds of pressure versus an electrical system.

The Chair (Mr. Peter Z. Milczyn): I'll have to stop you there. I gave you a little bit of extra time. We'll move on to questions from the government side. Mr. Baker for three minutes.

Mr. Yvan Baker: Gentlemen, thanks very much for coming in, and for your passion and for speaking to this and sharing your point of view on this with us.

I want to share with you a few points and clarifications, and ask a question, if I may.

First of all, I just wanted to say that both of you spoke, but you especially, sir, about the importance of health, safety and the implications having the right people doing the right job. I can say to you that one of my first jobs was actually as a labourer, as a worker, where we worked with heavy equipment, potentially dangerous equipment, under potentially dangerous circumstances. I saw the precautions that were taken to protect health and safety. In that case, it was done right.

1700

But I've also seen it not done right. Later in life, in a different job and a different context, I was right there when a worker was killed by a piece of construction equipment. That affects you, when you are there when something like that happens.

So I can tell you from a very personal perspective that I get how important this is. I know the minister talks about it a lot as well; it's important to him.

The second thing I wanted to say was that the original plan wasn't for this bill to be moved along so quickly. I have to say this just because I want to make sure you understand what the broader context was, that initially the plan was for this bill to move more deliberately through this process. Unfortunately, there was a procedural motion brought forward by the NDP with the purpose of delaying the bill, and that caused us to be in a little bit more of an accelerated time frame.

I appreciate your coming from Ottawa and coming to testify.

You mentioned consultations. I wanted to read something from a letter from the Coalition of Non-Compulsory Construction Trades of Ontario, and then I'll get your perspective on that issue.

They say: “We understand that some of the stakeholders interested in the college have called for addition-

al consultation. We strongly disagree with any delay in moving forward. The government of Ontario has already engaged in two rounds and more than two years of consultation, both resulting in similar recommendations.”

They're talking about Tony Dean and Chris Bentley in terms of those two rounds.

Of course, this is something that comes together through compromise. Obviously, there are going to be different groups with different perspectives, including yours.

I'm just reading from the same letter: “We recognize that these amendments contain compromises between the views of various stakeholders. And while we don't agree with all of the compromises, we are happy that the government is moving forward with the College of Trades to ensure that trades are a priority.”

My question to you is: Can you talk a little bit about why you think there are those disagreements among the groups and to what extent do you think this is a compromise?

Mr. Vince Kacaba: Okay. First of all, I'm not sure if I saw the report provided by former Minister Bentley. I understand he did a consultation, but I'm not sure if it was made public.

With regard to that, yes, obviously, there will be various opinions as to what each person should be doing. But at the end of the day, it's very specific within the legislation, which may be altered, as to what each group does.

There is a training standard that has been developed, not over two years but over decades, that outlines—and I'll stick with plumbing; I'm a plumber, a steamfitter and a sprinkler fitter—what a plumber needs to know. This has been developed and refined over years, in consultation with industry experts and practitioners to ensure that it meets the demands of the industry and our clients.

For someone who is in a non-compulsory trade, they really don't have the same buy-in, obviously, as starting off as a labourer. You found a better place to go, and you got into politics—

The Chair (Mr. Peter Z. Milczyn): I'll stop you there. We have to move on to our next round.

Mr. Fedeli for three minutes.

Mr. Victor Fedeli: Thank you very much, Mr. Gordon. You apologized for the lack of preparedness. There's no need for that here, believe me. You can imagine our surprise at being here as well.

This is the Standing Committee on Finance. I'm the finance critic. I'm not our labour critic or one of the other critics that would be involved when you have 27 acts that are covered in this bill.

As you came from Ottawa—

Mr. Michael Gordon: Yes.

Mr. Victor Fedeli: Please take my three minutes and carry on with the rest of your presentation.

Mr. Michael Gordon: Thank you. Give me a moment. I appreciate that.

The Ontario Labour Relations Board: One of the items that was brought forward—of great concern with the

Ontario Labour Relations Board—by advocates for this bill to pass is that they're calling the people that demonstrated yesterday "fearmongers."

Let me give you a little bit of our insight towards the Ontario Labour Relations Board and how we see this.

The Ontario Labour Relations Board is not a policy-maker. They're not a regulatory authority. They have no relation to the mandate of OCOT or its act. They are an adjudicative body given the ability to overrule the authority of the college, its inspectors and registrar, essentially removing the teeth of OCOT.

The history of the Ontario Labour Relations Board—I would challenge any MPP or anybody from the Ontario Labour Relations Board to bring forth evidence that trade regulations were honoured in a great capacity in any decision that identified the dangers inherent with scope of trade and the entire scope of trade regarding systems. This has not been the case in the past, and this is returning to a system that was recognized not to work in the past when the Ontario Labour Relations Board was used to settle disputes. Now we've returned to that system, due to an opportunity being provided for those who would like to see the deregulation of the compulsory status trades. Where there's opportunity, there will always be opportunists.

We have a system that is recognized within Canada as being at the forefront. As far as apprenticeships, any of our licensed individuals in the compulsory status trades can travel throughout Canada and be recognized at that forefront. This will change with the passing of this bill. The mobility of other workers even wanting to come here, due to the degradation of the trade as a consequence, will also begin to cease. So we will have less resource, whereas right now we have multitudes of tradespersons from across Canada who look to come here and aspire to transfer apprenticeships to Ontario. This would come to an end.

The Chair (Mr. Peter Z. Milczyn): I have to cut you off here, because that's three minutes for the opposition. Now three minutes for the NDP: Ms. DiNovo.

Ms. Cheri DiNovo: First, I just want to correct something for the record. The government has tried to say that the reason this is being hurried around is some kind of NDP procedural motion. Bullfeathers on that, quite frankly. They have the majority. The government gets its way; the opposition has its say. There's no way the opposition, either the PCs or us, can make the government do anything they don't want to do. So that's number one.

Number two, what we're hearing from the government is that they have in fact consulted—that the Dean report, that the Bentley report, that this all was consultation. So my question to you is, were you consulted before this? Did you know that section 17 was going to be part of an omnibus finance bill?

Mr. Michael Gordon: Absolutely not. In the nature of what we do, we are extremely detailed. To be here without the opportunity to properly prepare is something

that is a direct result of not being consulted about this being brought forward.

Mr. Vince Kacaba: If I may—

Ms. Cheri DiNovo: Yes, go ahead.

Mr. Vince Kacaba: To be honest, the only people who ever came to speak to me about training at all were Garfield Dunlop and your shadow minister out of Whitby—I apologize. He was the only person who has ever spoken to me about anything in training in the last—

Mrs. Cristina Martins: Just now?

Mr. Vince Kacaba: No, about a month and a half ago. I can bring it up on my iPad and tell you exactly when. But yes, they spent about three hours with me, discussing the different facets of the trade. Again, I don't particularly agree with Mr. Dunlop at times, because he was opposed to the College of Trades, but at least they reached out to us and wanted to find out what we thought.

As Mr. Baker points out, because this was so rushed, I guess now we can pull out schedule 17 to give it a bit more—

Mr. Michael Gordon: Scrutiny.

Mr. Vince Kacaba: —scrutiny, and we can pass Bill 70, and pull out 16 and 17. So it's sort of a win-win for everyone.

Ms. Cheri DiNovo: Just for the record on that: You've listened to some of the testimony here, but quite frankly, nobody from unions has testified that they were consulted. We've got ONA, Unifor, OFL, CUPE, OPSEU and you. Nobody was consulted.

Continue. Please use the rest of my time.

Mr. Michael Gordon: Scrutiny: Everybody in this room has been appointed with some type of responsibility by somebody to look after the public's interest.

I find, passing through, the comment was made by our MPP at the far corner of the room that there was a process and it has been delayed. But delayed and not shown to the people that it actually affects is no delay, in our eyes. That is not an opportunity for us to have an opportunity to provide due diligence to the public on our end. We strongly believe that on the side of enforcement, on the side of the government, it is extremely lacking in due diligence.

The consequences of this cannot be reversed when people are injured or harmed, that being not only the tradespeople affected but those working alongside them, the public. It doesn't mean—

The Chair (Mr. Peter Z. Milczyn): Thank you. I have to stop you there. Thank you for your presentation this afternoon. If there's something further you want to submit in writing, please do so before the end of the day.

1710

For members of the committee and for the remaining members of the public, I would just note that we have 49 minutes left before we must recess, and we have three more presenters—so potentially 60 minutes of time needed, and we only have 49 minutes left. So everybody, maybe judge yourselves accordingly.

LABORERS' INTERNATIONAL UNION
OF NORTH AMERICA

The Chair (Mr. Peter Z. Milczyn): Our next witness: the Laborers' International Union of North America. Good afternoon, gentlemen.

Mr. Jason Ottey: Thank you.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes to present, followed by questions. Your round of questions will begin with the official opposition. Please state your names for Hansard.

Mr. Jason Ottey: My name is Jason Ottey. I'm with LiUNA Local 183, and I'm here on behalf of LiUNA.

Mr. Jason McMichael: Jason McMichael. I'm here on behalf of the laborers' international union as well, and LiUNA Local 1089.

Mr. Jason Ottey: I just want to start my remarks by—I've been sitting here and listening to some of the deputants, and I think it was Mr. Comartin from the sheet metal conference who referred to Pulp Fiction in his deputation. The only that I'd like to say is that I have heard a lot of fiction and not a lot of fact, so I would like to spend my time just talking about the facts.

On behalf of our 90,000 members across the province and in southern Ontario, I want to express our support for the proposed changes outlined in schedule 17 of Bill 70, which represent an improvement to the College of Trades.

A few years ago, the Ontario College of Trades began to act in a manner that was increasingly disruptive to Ontario's construction industry. In effect, it was the compulsory trades that began to take advantage of the enforcement function of the college in an effort to try and poach jurisdiction from other trades, particularly ours. There was recognition by the Ontario government that a re-examination and second thought needed to be done. That was Tony Dean. The proposed changes in schedule 17 are, therefore, the result of not one but two in-depth independent reviews. I've yet to hear anybody question the legitimacy of either of the reviewers. At the time when they were announced, everybody said that they were the right people to do the job. The fact of the matter is that they just did not like the outcome. They didn't like it after Dean and they didn't like it after Bentley.

The reviews were accompanied by extensive consultation with stakeholders, in which LiUNA, Local 183 and all of our locals participated extensively. All of the parties were consulted, and there was transparency and fairness in a process that went far beyond the regular procedure leading to legislation. Full opportunity was given for all views. The entire process took two complete years.

Both reviewers separately came to the same conclusion: The experts at the Ontario Labour Relations Board have a critical role to play in determining how best to balance the interests of Ontarians with the changing demands of the construction sector. The OLRB has long been trusted by labour and business alike to fairly arbitrate disagreements to ensure that public safety comes

first. Under these proposed changes, the OLRB will ensure public and worker safety. As well, quality of work will continue to come first at the College of Trades.

Now self-interested groups representing the compulsory trades are once again attempting to disrupt the implementation of the recommendations of Dean and Bentley. And I want to stress this point: It was the compulsory trades who asked for the sober second thought from Bentley. They said, "Hit a pause button on Dean and have somebody else look at specifically the Ontario Labour Relations Board and its role." To their chagrin, Bentley came back and landed in the same spot, if not perhaps a little stronger than what Dean had suggested.

I find it strange that the trades organizations opposing these changes have, without exception, long supported the independence and the wisdom of the Ontario Labour Relations Board. In particular, Local 183 strongly disagrees with the mischaracterization of the OLRB and its expertise with health and safety issues by opponents of the proposed changes under schedule 17. Somehow, they've suggested that the OLRB is not qualified to address matters related to worker health and safety.

Of course, they neglect to mention that the OLRB has primary responsibility to administer the Occupational Health and Safety Act, which has long been the highest and most important legislation setting out the rights and responsibilities for worker safety in Ontario. Furthermore, violations under the predecessor of the Ontario College of Trades act—the Trades Qualification and Apprenticeship Act—were typically handled as health and safety violations under OHSA, and also administered by the OLRB. It's indisputable that the OLRB has decades of experience in ensuring the health and safety of Ontario workers and workplaces, and it continues to have this expertise today.

The proposed changes in schedule 17 expressly state the considerations that the OLRB must take into account when conducting a review of a notice of contravention, and they are exactly the same as those considered by the Ontario College of Trades registrar or an inspector when issuing a notice. It's not credible, based on the extensive expertise outlined, to suggest that the OLRB isn't competent to deal with matters that are currently being handled by provincial court judges under the Provincial Offences Act, who are unlikely to have any knowledge or expertise with worker safety issues.

And this is an important point. What they're suggesting is: Don't have experts look at health and safety matters; instead, take it to the Provincial Offences Act and have a justice of the peace look at it. They have no body of law or understanding of these matters, and they want us to disregard those and instead focus solely on theirs. That's because it fits their self-interest.

If anyone is concerned that work is being conducted unsafely on a specific job site, it should be reported to the Ministry of Labour, which has the responsibility to investigate violations of OHSA and has tremendous on-the-ground experience.

We have a letter that we're going to distribute. It was sent out by our business manager, Jack Oliveira, but we

also have a legal opinion with regard to a couple of points.

One is with respect to this issue of transparency. I think it's offensive to suggest that the process has not been transparent. The bill is the product, again, of almost two years of ongoing consultation. When you look through the participants, there are some 60 organizations that were consulted. I think it's disingenuous for parties to come here and say that they were never consulted on the content of schedule 17. We were there, and a lot of the people who were informed and concerned or wanted to promote the college participated in meaningful process and had the opportunity to speak. There was never an opportunity where it was closed, so I find that it is pure fiction to just suggest that they didn't have that.

Jason, did you want to talk about the other—

Mr. Jason McMichael: Yes. It's also been suggested that a clause in the bill would empower the bill to override sections 2 or 4 of the act, which provides for trade restrictions, when in fact there's nothing in Bill 70, schedule 17, which is even close to this regulation-making authority. There's no provision which empowers the OLRB to override or disregard the act. The powers granted to the OLRB by Bill 70, schedule 17, demonstrate the legislative intent of the Legislature. There's no violation of parliamentary supremacy, as has been suggested. Indeed, the Legislature, in its wisdom, has decided as a policy matter that the OLRB is the appropriate forum to deal with these trade restriction issues. Any suggestion that the OLRB has acted contrary to any legislative intent will be supervised by a superior court on a judicial review. The OLRB will continue to be confined to the powers conferred upon it by the Legislature. If it acts beyond the limits of those powers, a review in court will be available to provide the appropriate remedy.

Mr. Jason Ottey: The OLRB has decades of respected expertise in determining the right worker for the right job. I think we should continue to trust them with this important public responsibility.

I'm willing to take any questions you may have.

The Chair (Mr. Peter Z. Milczyn): Thank you. We'll go to Mr. Fedeli for three minutes.

Mr. Victor Fedeli: Thank you, Jason and Jason.

Mr. Jason Ottey: Very easy.

Mr. Jason McMichael: We try to make it as easy as possible.

Mr. Victor Fedeli: Yes, it's easy. I'll just say, "I'm going to ask this to Jason," and you guys can figure it out.

Again, you've heard me say this many times today: This is the Standing Committee on Finance. I'm the finance critic. I expected to be here today talking about debt, deficit, balancing, that type of thing. But I can tell you that none of that is in this bill. There are 27 acts. You have supplied an eight-page letter. There are two really short pages, so let's call it six pages of some meat. Take the rest of my time and just tell us what you haven't been able to talk about that's in this letter so we can hear from you.

1720

Mr. Jason Ottey: Sure. The letter that you were provided copies of expressed, I think, our long-standing frustration with how long this process has taken, but attached is a legal opinion. The legal opinion is a response to a legal opinion that was provided by the compulsory trades which makes a number of assertions. We thought, as an organization, that it would be appropriate to have another lawyer take a second look at those allegations to see whether or not there was any finding in law. In fact, it becomes clear when you read the opinion that there's not. There are concerns or, I think, frustrations about the process, that they weren't consulted; there are issues about transparency. We go through that, and they're not really questions of law; they're just questions of fact.

When you look at the issue of transparency, as I mentioned, it becomes abundantly clear that everybody had an opportunity to participate. This was not done in a cloak-and-dagger situation in a dark room where nobody had access. Tony Dean, in the consultation, fell over backwards trying to ensure that everybody had an opportunity to participate. On his website, through the process, he provided continual updates on what he was thinking, where he was landing and what were the key themes that some of the participants were expressing. So they had ample opportunity.

Let's take it to the next stage and let's look at the Bentley review. We weren't happy. There's a suggestion that, "Oh, this is so wrong and this is awful and it's so one-sided." We did not get everything that we wanted in this bill. We wanted it to go further. But in the interests of promoting the skilled trades and getting the college to focus on the things that everybody seems to agree about—which is, how do we close the skills gap?

Actually, this morning we were with Patrick Brown, and he talked about the need to address the skills gap. We can't do those things if we're obsessing about the Ontario Labour Relations Board and OCOT and the abuse of inspectorate. This provides us the opportunity to move the puck forward, if I may, and gets us into the issues where we do have real problems. That was the tie that bound everybody on the creation of the college. Everybody thought that the college was a good idea.

The Chair (Mr. Peter Z. Milczyn): That's this three minutes.

Ms. DiNovo, three minutes.

Ms. Cheri DiNovo: Thank you for being here on behalf of your membership. My father was a union painter and decorator—an Italian immigrant, probably similar to many of the members in your union. He was incredibly active. He would have been one of the people out on the front lawn yesterday and he would be in solidarity with his brothers and sisters in the other unions: ONA, Unifor, OFL, CUPE and OPSEU, all of whom testified before this committee. I was the kid who went to every Labour Day parade with labourers. Those were our people.

In particular, I know—if I'm going to channel him, because he passed away long ago—he would have really

been upset by schedule 16 and the attack on the health and safety of workers, on the proactive, unscheduled inspections being potentially taken away, or employers self-regulating on health and safety. This would have just raised his ire. He would have been horrified by that.

Also, he would have been horrified by attacks on scope of practice and training. I can tell you that a house painted by my dad stayed painted for a whole lot longer than by an unskilled painter. Anybody can pick up a paintbrush, but my dad could paint a house and it would stay painted for a long, long time, and he would do it properly.

Mr. Lou Rinaldi: He was Italian or Portuguese.

Mrs. Cristina Martins: He was Italian or Portuguese; that's why.

Ms. Cheri DiNovo: Italian. Yes, he would do it properly. That was his métier.

He would also—core union values, which, of course, we're not dealing with here, but things like anti-scab legislation, card check certification for everyone, sectoral organizing: All of these things my father held dear as, really, workers' rights across the board, some of which we do not have in this province right now for everyone. Particularly, he would say that embedding into labour things that substantially change labour relations in this province in an omnibus bill with nothing but other things in it—to put it in there doesn't seem very transparent.

We've heard from ONA and Unifor; we've heard from CUPE, OPSEU and the OFL about the fact that they did not feel consulted about these two schedules in this bill, and that even today was very hurried. People got notification with a few hours to prepare and to come before this committee. My dad would not have supported that either. I can tell you, he didn't even have a high school education, but he did value what it meant to be part of a union, and—

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. DiNovo.

Ms. Cheri DiNovo: Anyway, sorry I didn't have a chance to ask you a question.

Mr. Jason Ottey: I think there was a question—

The Chair (Mr. Peter Z. Milczyn): We'll move on to the government side: Mr. Baker, for three minutes.

Mr. Yvan Baker: I'll just make a brief comment, and then maybe I'll turn over the rest of my time for you to respond or add anything that you didn't have a chance to mention, if that's all right.

I would simply say that, on the timelines, I want to respond to what Ms. DiNovo just raised around the timelines and the fact that this has to be rushed. The original plan for this was not for it to be as rushed as it is, as far as moving this bill through the legislative process. The NDP did use a procedural tactic to delay the bill—strictly to delay the bill. That is what has resulted in us having to move the process along more quickly than we had planned, so I want you to know that.

But I'd like to turn over the rest of my time to you to say anything that you haven't had a chance to say.

Mr. Jason Ottey: Sure. I just want to talk—because Ms. DiNovo mentioned it—about scopes of practice.

Let's be frank: The scopes of practice are documents that are wildly out of date, that have not been updated in decades. By the admission of many of the parties on the compulsory side, they have said that for the parties to agree on what new scopes of practice would look like would take hundreds of years. The scopes of practice are meant to be used for deciding training, not for deciding labour relations purposes. It's uninformed to suggest that the scopes of practice should be used for that purpose, and that's where the friction point starts.

The other point I'd like to respond to is that your father was a painter, and that is sort of an entry trade into construction. Often, people start off in painting, get exposed to other trades and they end up entering new things, and some people stay. Unfortunately, I will say this: The College of Trades, today, would have probably put a restriction on the ability of your father to do that work today.

Ms. Cheri DiNovo: He didn't consider it a restriction.

Mr. Jason Ottey: Okay.

Jason, did you have another comment?

Mr. Jason McMichael: The only thing I would add, just further to Ms. DiNovo's comments, is that I have the great privilege of not just working for LiUNA but also being the president of a labour council in my city, and I represent every unionized worker in Sarnia-Lambton. I've been to all those things you mentioned that your father was part of.

I think it's very important to not cloud the two schedules, 16 and 17. We're focused today on 17 and the College of Trades. I think it's really important that those two schedules, 16 and 17, aren't gelled together and that we don't cloud those two separate and distinct issues. Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation this afternoon.

RESIDENTIAL CONSTRUCTION COUNCIL OF ONTARIO

The Chair (Mr. Peter Z. Milczyn): Our next witness is with the Residential Construction Council of Ontario.

Good afternoon, sir. You'll have up to 10 minutes for your presentation. Your round of questions will begin with the NDP. Please state your name for Hansard when you begin.

Mr. Andrew Pariser: Thank you very much for the 10 minutes and the question period afterwards.

My name is Andrew Pariser. I'm here to represent the Residential Construction Council of Ontario, better known as RESCON. Our membership is the low-rise, mid-rise and high-rise builders in the GTA, so I'm here as a representative of employers in the residential construction sector.

I would mainly like to talk about schedule 17. But because I'm here, and I've spent most of the day here, I would like to make a couple of comments about schedule 16.

First of all, when it comes to health and safety, everyone in this province has the responsibility to do everything that they can to ensure that when a worker goes to work, they come home at the end of the night. I think that's paramount.

In residential construction, which is the sector I can speak to, we're moving in the right direction. We're seeing lost-time injuries come down. There are improvements being made, and that's a positive, but there's still more that needs to be done. When we look at health and safety, we look for data. We want to make decisions that are fact-based, and we want to make decisions that are meaningful, because we want to move towards zero injuries and zero lost lives.

This legislation, with respect to accreditation, allows for what I would consider a higher standard, or for employers to strive to meet a higher standard, which will allow resources to be focused on areas of high risk. In Ontario, we need to understand fully why people are getting injured and why people aren't coming home at the end of the day, and we need to focus on those areas specifically. If we allow for programs like accreditation, we can allocate the finite health and safety resources that there are in this province, whether it's the ministry or employers, and put them towards the high-risk areas.

1730

Moving on to schedule 17 briefly, and the history of RESCON and residential construction with OCOT: We didn't start off on the best ground; I'll be honest with everyone. OCOT came into effect in 2013 and there wasn't a full appreciation for what it is to build houses, condos, townhouses or residential construction buildings. We very quickly had issues with the scopes of practice, with governance and with enforcement, and we very much were vocal on that, which I think most people would recognize and know.

The concerns were recognized and Tony Dean was appointed. We've heard a lot about that report today, and I know we're pressed for time, so I'll try to keep my comments brief. But essentially, we went to Dean, we brought our concerns and we essentially said that the way that OCOT was set up, the set-up isn't respecting the way residential construction operates.

In the world of construction, you have multiple sectors. A lot of the groups that spoke today are mainly focused in ICI. There is one group that spoke today, the labourers, who have a large group in residential construction. We represent residential construction. The way that OCOT was set up, especially with enforcement and the scopes of practice, would not fundamentally allow the way that we operated. It would jeopardize how condos are built. It would jeopardize how work is done on sites. We explained this to Tony Dean. This was reflected in his review and then it was codified again in the Bentley review.

One of our big asks and our big advocacies with both Dean and Bentley was: Residential construction is unique. That's why it's its own sector in construction. That's why we have seven sectors of construction. OCOT

is something that we can be a part of and that we want to support, because we agree that we need to address the skills gap, that there are things that we need to do to move this forward, that the college can have a productive place in Ontario's construction atmosphere. We worked with Dean and we worked with Bentley, and there were two reports that came out that were the result of extensive consultation, and they produced recommendations. I'm here today to support the implementation of the Dean report.

As was mentioned, we viewed the Dean report as a compromise. We were not given everything that we advocated for; it didn't make us 100% happy. But what it did do was provide a path forward, and it helped provide a path that would get OCOT through its growing pains. We really viewed that as a positive. We have since been able to have several meetings with OCOT. We think we're going in the right direction and we want to keep it positive as best we can.

Three last points that I'll briefly touch upon: When we're looking at OCOT and we're looking at addressing the skills gap, we have to make sure that we're allowing for interprovincial migration of workers. We all know what has gone on in Alberta. There are people there who could use the work. A lot of their skills are valued across this country. We need to have a system, whether it's compulsory or voluntary trades, that allows for the easy flow of workers. We had someone here from Scotland who said that they were able to come over and be a tradesperson here. We need to make sure that no regulation impinges on that.

The second point I'd like to talk about is the scopes of practice. It was mentioned in the last presentation: The scopes of practice are currently extremely dated and they have extensive overlap. They were created by the trades and they were not created with enforcement in mind.

As an interesting fact, just to show how they need to be updated: One fact to show that is for some of the scopes of practice, the last time they were updated was before we had someone walk on the moon. I think that says something.

Third is that OCOT does not have a lot of people from residential construction involved in its governance structure. Residential construction is the largest sector of construction in Ontario. We are one of the main parts of the backbone of this economy, and we need to have more residential construction representation at OCOT, but we also need to have more employer representation.

To keep my comments brief, I'll turn it over.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Questions will begin with Ms. DiNovo for three minutes.

Ms. Cheri DiNovo: Mr. Pariser, thank you for coming here today. So you clearly did feel consulted in this whole process?

Mr. Andrew Pariser: Yes.

Ms. Cheri DiNovo: Thank you. That's all I wanted to know.

Mr. Andrew Pariser: Through the Dean process as well as Bentley, there were extensive consultations. We

were heard. They came out, and we saw them. We have had many consultations with the Ministry of Labour. We would hold Dean as kind of the gold standard. Not all consultations, in our opinion, are that good. I don't want to give carte blanche—I think I've written tons of letters on behalf of RESCON asking for more consultations on other issues. But when it came to Dean and Bentley, I do not have a single complaint.

The Chair (Mr. Peter Z. Milczyn): Thank you. Government side: Mr. Baker?

Mr. Yvan Baker: I just wanted to know if there was anything else that you wanted to add that you didn't get to. I'm ceding my time.

Mr. Andrew Pariser: Thank you. I think the main point is that this has been a long debate. The role of the OLRB is critically important. I think if we look at the history of the OLRB, it was created as an expert tribunal. This is the place where—I think it's 26 acts, regulations. Everything goes to the OLRB. The OLRB is really the only place where these issues can be determined. These are issues of jurisdiction: Who can do the work? Who can do the work safely?

Tony Dean laid it out. He said that we need to look at the risk of harm. If we look at the risk of harm, a lot of the issues with the scopes of practice go away. Because we have to be mindful that people need to be safe at work, when you bring a risk-of-harm model into it—to me, "risk of harm" means looking at health and safety. That's part of it.

The OLRB, provincially, federally, internationally—it is an expert tribunal. That is where labour relations disputes go. As we've seen today—today was supposed to be about finance, but it was about labour relations.

The Chair (Mr. Peter Z. Milczyn): Thank you. Mr. Fedeli.

Mr. Victor Fedeli: Thank you very much, Chair. Thank you, Mr. Pariser, for your presentation. You're right, it was supposed to be about finance, but we know it has gotten into this area.

You brought something up that I hadn't heard in a long time when you talked about interprovincial trades. Next door to my riding of Nipissing is the province of Quebec, where I stood on the bridge, in Quebec, with Mayor Philippe Barrette from Témiscaming, Quebec, where we were fighting together to have fair trade. Because workers from Quebec can come across and do pipe fitting and all kinds of things, and workers from Ontario can't cross over there. Just in a couple of minutes, do you have any comments so that you could help me in this battle?

Mr. Andrew Pariser: My association is GTA-based. The one thing I can say, though, is that addressing the skills gap and getting more people into the trades—residential construction is highly unionized. It offers good jobs with great pay, safe work environments, but—and I put this out to anyone—we need more workers in residential construction. We heard about housing affordability today. We heard about residential construction in Toronto.

We need OCOT, and we need to work with OCOT as employers, as unions, as workers, as the government, to—my understanding is that OCOT was there to promote the skilled trades and to get young people into the trades. That's what we want it to focus on. We want to be a part of OCOT in a positive way, getting more people into the skilled trades—voluntary and compulsory—so that Toronto, the GTA and all of Ontario can continue to thrive. Thank you. Sorry that I couldn't answer the question.

Mr. Victor Fedeli: No, that's more than fair. I appreciate your extra comments at the end. Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation today.

Mr. Andrew Pariser: Thank you to the committee for your time.

PROGRESSIVE CONTRACTORS ASSOCIATION OF CANADA

The Chair (Mr. Peter Z. Milczyn): Our next and final witness is with the Progressive Contractors Association of Canada.

Ms. Ann Hoggarth: Shouldn't it be the United Steelworkers?

The Chair (Mr. Peter Z. Milczyn): We heard from them earlier.

Please come on up. Good afternoon. You have up to 10 minutes for your presentation. As you begin, if you could please state your name for Hansard.

1740

Ms. Karen Renkema: Sure. Good evening, committee Chair, and members of the committee. Thanks for having me as the last presenter this evening.

We are the Progressive Contractors Association. We've been around for 10 years, much longer than any other organization that you've heard from, probably, earlier today. You have a brief in front of you, and there's a bit of information about our association in the brief. I can get to that later, if you like.

I'll first focus my comments today on Bill 70, and specifically schedule 17 as well.

We congratulate the government in moving forward—sorry, I didn't give you my name; Karen Renkema, with the Progressive Contractors Association—by introducing legislation that will begin to make progress on the recommendations found in the Tony Dean report on the Ontario College of Trades. Since its implementation, the Ontario College of Trades has faced many critics, including PCA. The college's lack of transparency on many matters, including enforcement, its unrepresentative governance structure and the unfair processes and procedures that were used to determine ratios and trade status reviews were the highlights of complaints from both employers and tradespersons alike.

The government, to its credit, recognized that there were growing pains and that perhaps it was time to recalibrate the college in order that it could serve all

employers and stakeholders equally, with the goal of strengthening the skilled trades in Ontario.

Senator Tony Dean was selected to spend months speaking with parties across the province, from hair-stylists to general labourers to automotive technicians. He provided a comprehensive report over a year ago on this issue. Although many stakeholders had aspirations that he would go further in his suggestions for reform, for a full overhaul of the college, Senator Dean's recommendations were sound and backed up by months of research.

However, there have been a few select construction industry players that will only support the status quo of the Ontario College of Trades, and fail to recognize the need for the college to be reformed to be an entity in which all tradespeople and employers can thrive.

Let's be frank. These industry members have enjoyed the status quo as they have utilized the college as their vehicle to fight their battles on jurisdictional claims for work and gain an unfair advantage over others. Their issue isn't about safety. In fact, under this proposed legislation, more focus has been given to ensuring that enforcement is safety-focused through the risk-of-harm lens, and that enforcement is not to be utilized as an apparatus for differing labour unions' battles.

PCA feels it is important to provide this context to all committee members and members of the Legislature as we consider schedule 17. Schedule 17 is the legislative result of Senator Dean's recommendations. As mentioned previously, Senator Dean did not swing the pendulum in the opposite direction through his recommendations. Instead, he found a palatable middle ground.

This legislation is focused on the safety of all tradespeople and the public through the risk-of-harm lens, and furthermore, has found a much more appropriate, knowledgeable and independent venue to deal with the enforcement appeals: the Ontario Labour Relations Board.

Although we believe the government has made great headway to fairness and transparency in this legislation, we do have concerns that there are a few weaknesses and modifications of Senator Dean's recommendations in relation to the trade classification review panels and processes, as well as scopes of practice for the trades.

There is great detail in the legislation, providing direction for enforcement and appeals. We assert that there could also be much more detailed direction in relation to Dean's recommendations on the trade classification process and the review of scopes of practice.

We have the following recommendations for amendments to this legislation which would provide the transparency and inclusiveness that Senator Dean advocated for throughout his report.

First, recommendation 10 in Dean's report was abundantly clear, suggesting that the onus needs to be on an applicant to demonstrate the need for trade reclassification. This language is crucially important and needs to appear in the legislation, not in regulation, as it represented one of the most critical problems with the previous classification reviews.

Secondly, of paramount importance in the skilled trades discussion is the focus on mobility of trades and employers via intra- and interprovincial agreements and jurisprudence. We recommend an amendment to the legislation that would require that the Ontario College of Trades, the Ontario Labour Relations Board and the appointments council must consider if there would be any negative implications to intra- and interprovincial trade agreements. A report must first be published to address the negative implications and spell out how they intend to deal with the negative implications. This would affect issues such as any changes to the regulatory aspect of skilled trades' scopes of practice, enforcement, trades reclassification and ratios, to name a few.

Finally, the proper review of the scopes of practice for a trade prior to reclassification: We believe it is imperative that before a trade can apply for reclassification from voluntary to compulsory, or vice versa, it must go through the rigorous process outlined in the legislation to review its scopes of practice. The result of the scopes-of-practice review process would clarify many of the questions surrounding trade overlap, and provide clarity and transparency to the stakeholder community and the review panel while also providing clarity for enforcement activities.

I thank the committee for your time today and the consideration of the above amendments. I know they're technical, but they would make a great difference to the transparency around the trade reclassification and scopes-of-practice review.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. We'll start with the government side. Mr. Baker.

Mr. Yvan Baker: Thanks very much for coming in today and for speaking to this. We've heard some folks say that there's been a lack of consultation on these issues. Do you agree with that and can you tell us why you feel that way?

Ms. Karen Renkema: I've been involved with the College of Trades since its inception and, yes, there was a lack of consultation at the very beginning on the College of Trades file. However, since Senator Dean's review, absolutely not: I think that everybody has gone to great lengths through that review—and since that review—and through the second review to consult with industry. I don't think it was any surprise to industry exactly where we were landing when the legislation was introduced. I don't think it was any surprise to many members of the industry that this is where it was going. We had seen the recommendations.

I took a year-long mat leave and came back about six weeks ago. When I left, nothing was going on, and when I came back, we still hadn't seen legislation. So I think we're in a place where we all feel comfortable with the consultation. Are we in a place where we feel comfortable that the legislation hits it right on the mark? I think a little bit more work can be done, but I think we're very close, and we commend the government for moving forward.

Mr. Yvan Baker: Chair, how much time do I have?

The Chair (Mr. Peter Z. Milczyn): One and a half minutes.

Mr. Yvan Baker: I appreciate you taking the time to also speak about things that you don't agree with and sharing that feedback with us. We've heard from a number of people today, and from my perspective, I see this as a situation where compromise is very important. Do you feel that way and could you talk about why you think that there are differing views on this particular issue?

Ms. Karen Renkema: I think I laid it out a little bit in our submission, that the original legislation for the College of Trades really swung the pendulum in a direction where it favoured certain parts of the construction industry and really put others at an extreme disadvantage. Certain members of the construction industry were utilizing the college as a vehicle to deal with matters that the college was not formed for.

In this situation, I don't think the legislation, by any stretch of the imagination, swings the pendulum in the opposite direction, where those trades or those employers will be disadvantaged. In fact, I think it's found a very palatable middle ground. I don't know if I would use the word "compromise," because I don't think this is a situation where you can find compromise. But I think it is a situation where you can find a middle ground, where you're not unjustly favouring one group over another.

Mr. Yvan Baker: Thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett?

Mr. Toby Barrett: Thank you for speaking on behalf of the Progressive Contractors. We appreciate the recommendations for amendments in three different areas. Would you want to take three minutes to perhaps explain these proposals a bit more for us? I'm having trouble getting my head around some of them.

Ms. Karen Renkema: Yes, they are very technical, unless you're knee-deep in the process of the College of Trades.

The College of Trades has the power to make trades voluntary or compulsory. Currently, we have compulsory trades in Ontario and we have very many voluntary trades in Ontario. Some individuals in those trades wish to become compulsory. It was problematic in nature prior to the Dean review, and that's been on pause—the compulsory certification process has been on pause since Tony Dean was appointed. The issue is that the process was not fair. Only those who were sitting on the trade boards at the college could make the application. There was a reverse onus going on, in which they did not have to prove why they wanted to become compulsory. The onus was not on them to prove. It was basically an understood point. If they wanted to become compulsory, the onus was on everybody else to prove why they

shouldn't become compulsory. There wasn't a lot of research backed up. There wasn't a lot of consideration given to that. We talked a little bit about Quebec before. It basically gave full leeway for a full march towards the Quebec model, where we would see every single trade siloed and compulsory.

What we're recommending, and what Senator Dean recommended as well, is an approach that allows for a lot more fairness for all stakeholders to be involved, puts the onus on the trade to prove why it should be compulsory, and speaks a little bit to some of the processes that have to happen, including some consideration of, specifically, inter- and intraprovincial trade agreements to ensure that we're not putting our workers at a disadvantage, but also that we are not putting other workers who want to come into this province and work in the industry at a disadvantage as well.

Mr. Toby Barrett: Okay.

The Chair (Mr. Peter Z. Milczyn): Thank you. Ms. DiNovo.

Ms. Cheri DiNovo: Thank you very much for your presentation today.

I don't have any questions. I just want to put on the record that it seems very clear from the testimony that we've heard this afternoon that, on the employer side, they feel consulted and feel that they've been heard, but on the workers' side, for the vast majority of workers, they don't feel consulted and they don't feel like they've been heard. I just want to put that on the record. That, in itself, I think, shows the problem with transparency and the problem with this process—certainly, the democratic problem with this process. Not that there's anything wrong with employers or anything necessarily always right about workers, but we're talking about the process.

And just to put on the record again as a point—and this is one that has been made by the Progressive Conservatives as well—what are two pieces of labour legislation doing in an omnibus finance bill? Why were the people, including employers' organizations—given so little time to prepare to come here and testify at all?

I just leave it at that, Mr. Chair. Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you very much, and thank you to all of the witnesses this afternoon.

As per the order of the House dated November 30, 2016, the deadline for filing written amendments to Bill 70 to the Clerk of the Committee is 12 noon tomorrow, December 2. Any questions about that? No.

Then we stand adjourned until 9 a.m. on Tuesday, December 6, when we will meet for the purpose of clause-by-clause consideration of Bill 70.

The committee adjourned at 1753.

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Tuesday 6 December 2016

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Mardi 6 décembre 2016

Standing Committee on Finance and Economic Affairs

Building Ontario Up
for Everyone Act
(Budget Measures), 2016

Comité permanent des finances et des affaires économiques

Loi de 2016 visant à favoriser
l'essor de l'Ontario pour tous
(mesures budgétaires)

Chair: Peter Z. Milczyn
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Tuesday 6 December 2016

Mardi 6 décembre 2016

*The committee met at 0900 in room 151.*BUILDING ONTARIO UP
FOR EVERYONE ACT
(BUDGET MEASURES), 2016LOI DE 2016 VISANT À FAVORISER
L'ESSOR DE L'ONTARIO POUR TOUS
(MESURES BUDGÉTAIRES)

Consideration of the following bill:

Bill 70, An Act to implement Budget measures and to enact and amend various statutes / Projet de loi 70, Loi visant à mettre en œuvre les mesures budgétaires et à édicter et à modifier diverses lois.

The Vice-Chair (Ms. Ann Hoggarth): Good morning. As per the order of the House dated November 30, 2016, we are assembled here for clause-by-clause consideration of Bill 70, An Act to implement Budget measures and to enact and amend various statutes.

The committee is authorized to sit all day today, from 9 a.m. to 10:15 a.m. and from 3 p.m. to 6 p.m. Committee members will know that at 4 p.m. today, I'm required to interrupt the proceedings and shall, without further debate or amendment, put every question necessary to dispose of all remaining sections of Bill 70 and any amendments thereto. As per the order of the House, a 20-minute waiting period will not be permitted. From that point forward, those amendments which have not yet been moved shall be deemed to have been moved and I will take the vote on them consecutively.

Julia Hood from legislative counsel is here to assist us with our work, should we have any questions for her.

A copy of the numbered amendments filed before the deadline is on your desk. The amendments have been numbered in the order in which the sections and schedules appear in the bill.

Are there any questions before we start? MPP Fedeli.

Mr. Victor Fedeli: Thank you, Madam Chair. May we be permitted to have a few opening comments?

Ms. Ann Hoggarth: I'm just going to get to that.

Mr. Victor Fedeli: Okay.

The Vice-Chair (Ms. Ann Hoggarth): As you will notice, Bill 70 is comprised of three sections and 26 schedules. In order to deal with the bill in an orderly fashion, I'm going to suggest that we postpone the three sections in order to dispose of the schedules first. Is there

unanimous consent to stand down the sections and deal with the schedules first?

Mr. Yvan Baker: Chair?

Ms. Ann Hoggarth: Yes, MPP Baker.

Mr. Yvan Baker: When you're done your opening remarks, could I call for a recess?

Ms. Ann Hoggarth: Only if the committee agrees to it. Okay?

Before we begin schedule 1, I will allow each party to make some brief comments on the bill as a whole. Afterwards, debate should be limited to the section or amendment under consideration.

Are there any comments? MPP Fedeli.

Mr. Victor Fedeli: I don't have any formal comments written, but I just have an expression of concern. We listened to the fall economic statement, which we would have hoped would have dealt with, in my words, the dire financial straits that the province of Ontario is in today. While, thankfully, the Financial Accountability Officer issued a commentary—first of all, a report beforehand, before the fall economic statement came out—that outlined just how dire things are, the fall economic statement came out and the Financial Accountability Officer was compelled to issue an almost identical report in the form of a commentary that he did only a week or so beforehand, because we're not dealing with the issues at hand here. We're not dealing with our debt and our deficit. Instead, we're given what I term, and many term, an omnibus bill. What that means, of course, is that instead of a finance bill, we're given a bill that has 27 acts in it, many unrelated to finance. The Municipal Act is here, and how we're going to elect regional representatives. It's all squeezed into this package.

And then, instead of giving us the proper amount of time to debate it, we're truncated. One day, it's, "All right, we don't want to hear from you anymore. We're stopping debate." So at 4 o'clock on Tuesday of last week, as we were just beginning, we had to then speak on time allocation, which is a fancy way of saying you're allocating our time or you're cutting off our time, and we can't talk about it anymore. We then have a vote, and the decision of the government is that we're coming to this committee. The deadline for requests to appear to the committee was 1 o'clock last Thursday, and the committee starts debating at 1 o'clock on Thursday.

There was no time for people, many people, who wanted to present, first of all, their thoughts to us so we

could debate it in the Legislature, and then to prepare their package to either be here Thursday at 1 o'clock—a day's notice is all they had—and they could also have written submissions by Thursday. Now, at least they gave them till 6 o'clock on Thursday, so they had that whole day to think their thoughts through and either get here or send them to us.

So I just have to pose to the government: Why? Why would you consider doing this bill and squeezing everything into it, all unrelated; and then, secondly, giving the deputants, the people, the stakeholders—the public and the seniors and the families—no time to come here to do that, and then pack a day full with those who could make it here, generally from the GTHA? There was just no time. Now we're cramming into committee the next day, and we'll have a vote and it'll be all over before we break.

0910

So, Chair, I just want to register my objection. I do find it objectionable that this whole thing has happened—you could actually call it in minutes. It's not even days, it's minutes. When you put the amount of time that we were given to debate this and have deputants, it can be categorized in only minutes.

I appreciate the opportunity to express that. Thank you very much, Chair.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, MPP Fedeli. MPP Fife?

Ms. Catherine Fife: Thank you, Chair, and thanks for the opportunity to give an overall impression of Bill 70. I think that the concerns that my fellow finance critic has raised are valid, but also it's the crafting of this bill that is of great concern to New Democrats and to our allies in the labour movement, in that you have two schedules contained within a finance bill which will undermine and compromise worker safety in the province of Ontario in very tangible ways.

Also, process matters. In a democracy where I feel that there is a slippage, if you will, around trust in this province and in this government, you have a piece of legislation that was crafted without consultation with the very stakeholders that it directly affects. It runs counter to everything that we value in a democracy; especially in a democracy where the government has promised to be open, transparent and collaborative.

Schedules 16 and 17—16 in particular we feel is incredibly regressive. We are not moving worker safety and job safety forward in the province of Ontario; we're taking a giant step back, which is why we will be trying to pull schedule 16 from this bill. There is no good rationale for it to be in this piece of legislation. And schedule 17 of Bill 70 also—there were almost 2,000 people on the front lawn of Queen's Park last Wednesday showing their discontent and their concerns with this piece of legislation, and those voices are not reflected in this piece of legislation.

Also of great concern is that the way that the bill is crafted—which has become a trend of this government—is to push everything back down to regulation. So even

though you have a law that says that you believe in worker safety, the regulations are left open for interpretation and are not part of the debate. It's not part of the discourse. We've had so little time. I had one hour, period, on this piece of legislation. Only two other members had a chance to speak to it from the NDP—I'm not sure how many people from the PCs. The trend of pushing laws down to the regulations is of concern. The use of time allocation runs counter to everything that strengthens a democracy and, certainly, strengthens a bill. We're going to try to make this bill a better bill, but by just the premise of it, it is unsupportable.

Last week when the Ontario craft distillers came here, they had 78 minutes to appear before a finance committee—78 minutes. Other labour partners had less than two hours. We voted on a piece of legislation at noon, and we went to delegations at 1 o'clock. To say that this has been a disappointing process would be an understatement, but it speaks more to the principles and the values of this government, where you have a piece of legislation which is working against building Ontario up for everyone. That's the title of the bill, yet the bill does nothing to do that. In fact, it will hurt a whole segment of our skilled trades workers in the province of Ontario. I don't know how you expect to build Ontario up without the work of skilled trades in the province of Ontario.

So I'm looking forward to the debate and I wonder why the government will be asking for a recess right at the beginning, because this piece is time-allocated. We only have today to make this piece of legislation a better piece of legislation, so taking a recess doesn't seem like the best course of action. Thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: I just wanted to address some of the points that were raised by the opposition members. I'm really looking forward to moving forward on the amendments in this session of the committee and making use of the information and input we heard from stakeholders on this particular piece of legislation. The input that this committee has received was recent, but the input that the government received in putting this bill together is not recent. In fact, consultations have been extensive and long-standing on the various components of this piece of legislation.

I wanted to rebut the points of the opposition that there was a lack of consultation. There has been extensive consultation on this. That's the first point I would make. A good example of that is the—on the labour components of the bill that were referred to, we had the Dean report, we had the Bentley report. There has been extensive consultation over the better part of two years. That's just an example. I won't go through all the consultations, but that's an example.

The other point that was raised was the issue about this being an omnibus bill—that it contains components that aren't directly finance-related. I have to say that these are things that impact our economy. Things that impact our economy impact our finances. Therefore, I think it is finance-related to a great extent. The other

point I would make is that I find it surprising that a member of the opposition would raise that. When the PCs were in office, they were champions of omnibus legislation, so I find it a little surprising now that they're saying that this is something that they find objectionable.

The third thing I wanted to address was that this was rushed. It was the original intent of the government that this bill not be time-allocated, but we were delayed by an NDP procedural motion that was designed to delay the bill. So, to ensure that the bill could pass on an appropriate timeline, before the end of the session, the bill had to be time-allocated.

Those are important points for me to get on the record. I couldn't let those points go without rebutting them because I think people watching at home or people in this room could easily misunderstand what's happening if they didn't hear what I had to say on that.

Chair, I really look forward to moving forward on this piece of legislation with my colleagues from all sides and looking at the amendments.

I thank you very much for the time. I will not be requesting a recess.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife.

Ms. Catherine Fife: Just a point of clarification to MPP Baker: The reason that we delayed one day is because we put forward an amendment to pull schedules 16 and 17, because they have no business in this bill. You know that. That's what we tried to do, and that's what we're going to try to do as well today.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: I couldn't disagree more with MPP Fife. I'm just going to put that on the record. That was not—

Ms. Catherine Fife: It's a matter of fact.

Mr. Yvan Baker: Excuse me. It's not a matter of fact. The matter of fact is that this was done to delay the bill and to object to its movement forward through the legislative process, period. No matter what the rationale is that they put forward, the outcome of that—and they knew the outcome of that—would be to delay the bill and result in the government being in a position where, to move the bill forward in a time frame that was appropriate, we had to time-allocate. So the rationale is one thing—and I disagree on that rationale. But regardless of the rationale, the reality is that it delayed the bill. That's the effect that it had, and the NDP would have known that when they put the motion forward.

The Chair (Mr. Peter Z. Milczyn): Mr. Fedeli.

Mr. Victor Fedeli: I just want to take objection to one of the comments from MPP Baker, where he said that all of the acts are to do with the finances of the province of Ontario. The one that we're going to be dealing with, schedule 15, the Municipal Act: I can tell you that as a former mayor—and many of us here are former mayors and councillors. First of all, there is a bill right now in the Legislature dealing with the Municipal Act. I can't even begin to imagine why this isn't a part of that. Perhaps it was an oversight or a mistake of this government.

Nonetheless, schedule 15 is the Municipal Act of 2001, where they're talking about substituting a para-

graph: "Subject to paragraph 2.1, the head of council shall be elected by general vote, in accordance with the Municipal Elections Act, 1996, or shall be appointed by the members of council." It goes on and on about how you appoint the head of council. I can't, for the life of me—again, as a former mayor, municipal politician and, now, MPP—understand how a change in the Municipal Act on how you appoint the head of council has anything to do with the finances of the province of Ontario; and, secondly, why it isn't in the bill, which is also being debated as we speak, on the changes in the Municipal Act. So I would take exception to that comment.

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The Chair (Mr. Peter Z. Milczyn): Ms. Fife.

Ms. Catherine Fife: Clearly, there is going to be a lot of tension and conflict in this committee. The reason that we put forward the amendment with regard to the timing of Bill 70 is that we took it out to consult with stakeholders, which the government failed to do at the very beginning. We wanted to hear from the skilled trades, the electricians and the contractors. That's part of the process.

But, then, we did not, of course, time-allocate the debate; the government did. We did not time-allocate the delegations that only had an afternoon to appear before this committee, with less than two hours' notice. We did not limit clause-by-clause; you time-allocated clause-by-clause. So the contention from this government that this is a normal bill that has followed a normal process is completely false. We've never seen a piece of legislation move this fast through this House. It moved so fast that the Clerk had to write out, in handwriting, the names of the delegations that appeared here last Thursday. In four years, I have never seen that. In four years, we've never seen a handwritten delegation list of people appearing.

As far as credibility, we have the Hansard on our side; we have the House proceedings on our side. Why this government is rushing this harmful piece of legislation through this House in the last week of the sitting is beyond me. That's why there were almost 2,000 people out on the front lawn. They feel betrayed by this government.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: I look forward to moving forward with the amendments, so I suggest that we move forward, Chair.

The Chair (Mr. Peter Z. Milczyn): On schedule 1, section 1, there are no amendments proposed. Is there any discussion? Seeing none, shall schedule 1, section 1, carry? All in favour? Opposed? That is carried.

On schedule 1, section 2, there is an amendment that was tabled. Ms. Fife.

Ms. Catherine Fife: I move that section 1 of the bill be amended by adding the following subsection:

"(2) Despite subsection (1), schedule 16 is not part of the enactment. It constitutes notice of a future bill."

We want this piece of the schedule removed.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife, the Clerk advises me that you read the wrong motion.

Ms. Catherine Fife: Oh, that's the wrong one.

The Chair (Mr. Peter Z. Milczyn): It's motion number 3—

Ms. Catherine Fife: Motion number 3?

The Chair (Mr. Peter Z. Milczyn):—that relates to this section. Motions 1 and 2 were stood down and will be dealt with at the end.

Ms. Catherine Fife: That's right. Sorry, my apologies.

I move that subsection 2(11) of schedule 1 to the bill, which amends subsection 17(3) of the Alcohol and Gaming Regulation and Public Protection Act, 1996, be amended by adding the following clause:

“(b.1) by adding the following clause:

“(c.1) if the purchase is of all or part of the first 5,000 litres sold, through the spirit manufacturer's stores, of its spirits;”

Can I speak to it?

The Chair (Mr. Peter Z. Milczyn): Yes.

Ms. Catherine Fife: Okay. Obviously, we heard extensive feedback on the lack of imposing a graduated taxation scheme for craft distillers across Ontario. The story is quite interesting, actually. This group of some 16 craft distillers, under the leadership of Ontario Craft Distillers Association, worked for two years with the Premier's advisory committee and under the supervision of Ed Clark, and was working towards a graduated taxation schedule for craft distillers. This is not unlike the model that was used with the craft breweries, which proved to be very successful, and some Ontario wines, as well. I think that the Ontario craft distillers really took this government at their word and thought this is obviously a growing and emerging industry and sector.

There are some very popular ones here in Toronto. I toured one in Ayr on Friday. Mr. Clark has some in his area. These are local, small businesses that are following their dream of crafting spirits—and it is a craft. It's actually gaining great notoriety and popularity across Ontario but also in foreign jurisdictions, Europe and the States.

These are, as I said, small or medium-sized businesses and we heard, actually, that many of them hire younger people in their twenties. For many of these young business owners, this is their dream, to become a craft distiller and partner with local farmers in the agricultural sector and create good jobs. So when they were working with Mr. Clark on the Premier's advisory council, they really felt that they were being listened to. They call what is contained in Bill 70 a complete betrayal. They have said that they were blindsided. Some have declared that they will shut their doors and close down their businesses as of January 31. Not to put a pun on it, but it was not in the spirit of the conversations over the last two years. A lot of time and a lot of energy went into trying to educate the government, which is why consultation is so important, and yet that did not happen.

We're trying to make the case that you want to give these small Ontario craft distillers a fighting chance to be successful, so don't come in at a 61.5% taxation rate.

Have a graduated taxation rate. You heard from the president of the Ontario Craft Distillers Association. This proposal will maybe save him \$1.80 per bottle and that is not a collaborative partnership solution towards (1) staying in business or (2), growing a business. We have a proven track record in the province of Ontario, which took a long time, to find a good exemption rate. After consultation with the craft distillers, if that first 5,000 litres have a reduced taxation rate or no taxation, you're signalling to them, in truth, that you are interested in them being successful in the province of Ontario.

The finance minister was quoted as saying last week that you're giving them the chance to give away 1,250 litres of alcohol free on a promotional basis. Some of these craft distillers don't even produce that much. That's not helpful and that certainly was not part of the conversation that they had with Mr. Ed Clark. Of course, we wouldn't know those conversations because those distillers had to sign a non-disclosure agreement not to talk to MPPs. We only found out after the fact. That's how things are running in the province of Ontario here at Queen's Park.

This would go a long way to rebuild some trust with Ontario craft distillers. It would go a long way to signal that one of those four pillars that the government talks about around the economy—that you do in fact support small and medium-sized businesses and that you recognize that some of the grain farmers in the province of Ontario grow some of the best grains in the world, creating the best spirits in the world—and I think would go a long way to rebuild trust with the distillers in Ontario. Thank you, Chair.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: So just to recap, schedule 1 would amend the Alcohol and Gaming Regulation and Public Protection Act, 1996, in two significant ways. The first thing it would do is it would impose a new tax on the sale of spirits at distillery on-site stores. In other words, these are stores that are owned and operated by distillers at their manufacturing sites. This would be starting on July 1, 2017. This tax would replace the current LCBO mark-up and commission system, resulting in a greater share of the sales revenue remaining with distillers.

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The second thing it would do is introduce a phased increase to the existing tax that applies to privately owned and operated winery retail stores when they choose to locate within the shopping area of a grocery store and have the grocer sell the product as an agent for them. The amendment proposed in this motion would add a new exemption from the proposed spirits tax “if the purchase is of all or part of the first 5,000 litres sold through the spirit manufacturer's stores.”

The proposed spirits taxes are consumer taxes, so the exemption proposed in this motion would provide a different tax treatment for different consumers, depending on whether the distiller had already sold the 5,000 litres of spirits. Consumers have to be able to understand and know their tax liability. They would actually have to

know whether 5,000 litres had been sold or not to know what the price of the product would be. A tax exemption on the first 5,000 litres of spirits sold by the manufacturer at its on-site store would set a precedent for similar requests from beer and wine manufacturers whose products are not subject to such an exemption, and it would obviously impact provincial revenue. In light of these reasons, my view is that this amendment is not appropriate.

I was speaking in my opening remarks about the importance of supporting and growing the economy and that's something that's a priority for me, my colleagues here and, I know, for the minister and our entire government. That includes the rapidly growing craft distillery sector. That's why the government listened to Ontario distillers and introduced legislation that, if passed, would remove the LCBO markup and commission structure at on-site distiller retail stores. The new tax structure would see distilleries taxed in a similar way as breweries and wineries, and would result in improved sales margins for distillers at their on-site locations.

The Chair (Mr. Peter Z. Milczyn): Thank you. So schedule 1, section 2, on the amendment: All those in favour? Opposed? The amendment fails.

Shall schedule 1, section 2, carry? All those in favour? Opposed? That carries.

There are no amendments tabled to schedule 1, section 3. Shall schedule 1, section 3, be carried? All those in favour? Opposed? That carries.

On schedule 1, section 4, there was an amendment tabled. Mr. Fedeli?

Mr. Victor Fedeli: Schedule 1, clause 2(11)(b.1)—

The Chair (Mr. Peter Z. Milczyn): This is motion number 4, Mr. Fedeli.

Mr. Victor Fedeli: Oh, thank you. Let's try that again.

I move that subsection 18.1(5.1) of the Alcohol and Gaming Regulation and Public Protection Act, 1996, as set out in subsection 4(3) of schedule 1 to the bill, be struck out and the following substituted:

“Spirits manufacturer

“(5.1) A spirits manufacturer and its affiliates are not subject to tax under this act on a maximum of 1,250 litres of spirits that is sold by any of them in Ontario during a 12-month period that begins on July 1 in a year, if the sale takes place in a store that the manufacturer or affiliate, as the case may be, owns and operates and where it is authorized under the Liquor Control Act to sell its spirits.”

The Chair (Mr. Peter Z. Milczyn): Mr. Clark?

Mr. Steve Clark: Thanks, Chair. I just want to pick up on some of the things that Ms. Fife had brought up earlier today. As most members know, after Mr. Hudak resigned, I reintroduced his Free My Rye Act, which would change significantly the graduated markup that distillers would have. For those that aren't familiar with the bill, it would provide a 10% markup on the first 50,000 litres, 20% between 50,000 and 100,000 litres, and 40% for 100,000 litres to 625,000 litres.

As Ms. Fife said earlier, the Craft Distillers' Association have invested two years in a process with this government. It essentially puts their industry in doubt. The situation, as I see it: This government has poured two years of discussions on a graduated tax down the drain, and the whole industry is questioning the government's commitment to them.

We've seen in this province real emerging craft beer and small winery businesses. We've all sat back as members. I would say that the majority of the 107 members have patted themselves on the back or patted the government on the back for making that commitment to grow the craft beer and small wineries.

To make a decision like this government has made after investing all of this time with the distillers—no one seems to understand why the government is moving in this direction. What this amendment tries to do is capture the 1,250 litres that the government has tagged—and Mr. Baker mentioned the volume today—and to deal with it in a far better manner than the government is proposing.

I would have loved, Chair, to have the Free My Rye Act incorporated into Bill 70. I would have been here passionately asking all parties to support it, but that's not the case. I think the whole small distillery grain-to-glass movement has really been betrayed by this government.

So I ask the members of this government to support this amendment, to give the industry some semblance of support during the discussions of Bill 70. Thank you, Chair.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: Thanks very much. Just as a recap again, the amendment proposed in schedule 1 to subsection 18(5.1) would provide distillers and their affiliates with an exemption from tax on a maximum of 1,250 litres of spirits that they distribute each year without charge.

So in situations where manufacturers distribute their product without charge—promotional distributions—they are deemed in the AGRPPA to be purchasers liable to tax. The motion would repeal this exemption from tax on promotional distribution and replace it with an exemption for manufacturers on a maximum of 1,250 litres of spirits that they sell in a year. The exemption purports to apply to manufacturers, but spirits manufacturers are not subject to the tax when there is not a promotional distribution. The tax is a consumer tax. So the amendment is technically incorrect.

The promotional distribution exemption proposed in schedule 1 is similar to that provided to beer and wine manufacturers. So, in light of these reasons I'm not supporting the amendment.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife.

Ms. Catherine Fife: Thank you. We will support this amendment from the PCs because what the distillers have said to us is that they're looking for a buffer to protect them and their current industry from this government. We offered the 5,000-litre buffer to help them deal with the 61.5% tax rate, but we will support 1,250 litres because this is an industry that has been very clear about the obstacles that they face.

I think last week when Minister Sousa stood in the House and took credit for the success that they have—that was when Mr. Charles Benoit came to speak to us, from the Ontario Craft Distillers Association. He took great exception to that. He gave the very reasons why they have been able to survive. That has been a small manufacturing industry that has started to develop stills in the province of Ontario, which has become very popular. The cost of those stills has gone from half a million dollars to \$50,000, which has allowed craft distillers to actually start up their businesses.

Also, the local food movement is incredibly popular, so these partnerships with farmers—some of them are investors in these small craft distillers.

They're struggling to be competitive. They're struggling to survive. Even allowing them a 1,250-litre tax exemption would signal that the government is not working against the craft distillers in the province of Ontario, which isn't really too much to ask. The province of Ontario cannot lose any more jobs. Can we at least agree on that? The NDP will be supporting this motion.

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The Chair (Mr. Peter Z. Milczyn): On the amendment: All those in favour of the amendment? Opposed? The amendment is not carried.

Shall schedule 1, section 4, be carried? All those in favour? Opposed? That is carried.

There were no amendments tabled to schedule 1, sections 5 and 6, so I would suggest to the committee that we vote on them together. Shall schedule 1, sections 5 and 6, be carried? All in favour? Opposed? Those two sections are carried.

On schedule 1, section 7, there is PC motion number 5. Mr. Fedeli.

Mr. Victor Fedeli: I move that subsections 7(1) and (2) of schedule 1 to the bill be struck out.

The Chair (Mr. Peter Z. Milczyn): Mr. Fedeli.

Mr. Victor Fedeli: Our caucus does not support these new tax increases. Our motion, if passed, would remove all of the new tax increases on wine that are being imposed by this government, which incidentally said that there would be no new taxes in this fall economic statement. This is one of the many that have happened. We believe in making life easier for consumers, so we cannot support any new taxes.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: This component of Bill 70 enacts one part of a larger package of reforms that enable wine to be sold in grocery stores. In order to do this for wine boutiques, where the government is providing opportunity for off-site winery retail stores, like the Wine Rack or the Wine Shop or others, to move inside grocery stores' sales areas and share checkouts with the grocer, a new tax structure is necessary. Nothing will change for winery retail stores that are not located inside a grocery store or on product in the LCBO.

As well, consumer prices remain subject to uniform pricing regulations, where a product sold in Ontario must have the same all-in price as listed in the LCBO, no

matter which retail channel it is sold through or in what part of the province.

There is total consensus amongst government and the stakeholders, including the owners of the winery retail stores, on this change in the tax rates.

The Chair (Mr. Peter Z. Milczyn): If there's no further discussion then, on the amendment: All those in favour? Opposed? The amendment is lost.

Shall schedule 1, section 7, be carried? All in favour? Opposed? That is carried.

There were—

Ms. Ann Hoggarth: Chair?

The Chair (Mr. Peter Z. Milczyn): Yes, Ms. Hoggarth?

Ms. Ann Hoggarth: Would we be able to bundle the ones there are no amendments to?

The Chair (Mr. Peter Z. Milczyn): I'm getting to that.

Ms. Ann Hoggarth: Thank you.

The Chair (Mr. Peter Z. Milczyn): There were no amendments tabled for schedule 1, sections 8 through 13, inclusive. With the committee's agreement, we'll vote on them together.

Schedule 1, sections 8 through 13, inclusive: Shall they be carried? All in favour? Opposed? They are carried.

In schedule 2, there were no amendments—

Interjection.

The Chair (Mr. Peter Z. Milczyn): Sorry, I'm getting ahead of myself.

Shall schedule 1 be carried? All those in favour? Opposed? Carried.

There were no amendments tabled to the sections in schedule 2, so can we vote together on sections 1 through 3? All right. Schedule 2, sections 1 through 3, inclusive: Shall they be carried? All those in favour? Opposed? Carried.

Shall schedule 2 be carried? All those in favour? Opposed? Carried.

There were no amendments tabled in schedule 3 to sections 1 through 11, inclusive. With the committee's agreement, we'll vote on those together. Shall schedule 3, sections 1 through 11, inclusive, be carried? All in favour? Opposed? That is carried.

Shall schedule 3 be carried? All in favour? Opposed? That is carried.

In schedule 4, there were no amendments tabled to sections 1 and 2. With the committee's agreement, we'll vote on those together. Shall schedule 4, sections 1 and 2, be carried? All in favour? Opposed? They are carried.

Shall schedule 4 be carried? All in favour? Opposed? That's carried.

In schedule 5, sections 1 through 9, inclusive, there were no amendments tabled. Again, with the committee's agreement, we'll vote on those together. Shall schedule 5, sections 1 through 9, inclusive, be carried? All in favour? Opposed? Carried.

Shall schedule 5 be carried? All in favour? Opposed? Carried.

In schedule 6, for sections 1 through 11, inclusive, there were no amendments tabled. With the committee's agreement, once again, we'll vote on them together. Shall schedule 6, sections 1 through 11, inclusive, be carried? All in favour? Opposed? They are carried.

Shall schedule 6 be carried? All in favour? Opposed? It's carried.

In schedule 7, for sections 1 through 3, there were no amendments tabled. Again, we'll try and vote on them together. Shall schedule 7, sections 1 through 3, inclusive, be carried? All in favour? Opposed? Carried.

Shall schedule 7 be carried? All in favour? Opposed? That is carried.

In schedule 8, sections 1 through 24, there were no amendments tabled. Shall schedule 8, sections 1 to 24, inclusive, be carried? All in favour? Opposed? They are carried.

Shall schedule 8 carry? All in favour? Opposed? Carried.

In schedule 9, sections 1 through 8, inclusive, there were no amendments tabled. Shall schedule 9, sections 1 through 8, inclusive, be carried? All in favour? Opposed? That is carried.

Shall schedule 9 carry? All in favour? Opposed? Carried.

Schedule 10, sections 1 to 3, inclusive: No amendments were tabled. Shall schedule 10, sections 1 to 3, be carried? All in favour? Opposed? They are carried.

Shall schedule 10 be carried? All in favour? Opposed? That is carried.

Schedule 11, sections 1 through 7, inclusive: There were no amendments tabled. Shall schedule 11, sections 1 through 7, inclusive, be carried? All in favour? Opposed? That is carried.

Shall schedule 11 be carried? All in favour? Opposed? That is carried.

Schedule 12, sections 1 to 3, inclusive: There were no amendments tabled. Shall schedule 12, sections 1 to 3, inclusive, be carried? All in favour? Opposed? They are carried.

Shall schedule 12 be carried? All in favour? Opposed? That schedule is carried.

Schedule 13: Mr. Fedeli, you tabled a notice on schedule 13.

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Mr. Victor Fedeli: What portion do you want me to read?

The Chair (Mr. Peter Z. Milczyn): You can speak to the notice because it's not an amendment.

Mr. Toby Barrett: Which page are we on? Sorry.

The Chair (Mr. Peter Z. Milczyn): It is schedule 13. It's after motion number 5.

Mr. Victor Fedeli: So our notice: What we're saying, basically, is that we do not support the new tax increases that are included in schedule 13, section 1, subsections 2(1) and (2) of the Land Transfer Tax Act. This is the section that we're referring to.

To us, this is yet another increased tax and a tax grab by the government, a significant new tax that does abso-

lutely nothing to support housing affordability. This is why we will be supporting the recommendation to vote against section 1 of schedule 13.

How does that sound? That's the technical way of doing it, if I understand.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: I think that there's a misunderstanding on the side of the PCs, or maybe it's just a mischaracterization. The land transfer tax is calculated based on marginal tax rates applied to the value of the consideration of the conveyance of land.

Section 1 of schedule 13 proposes changes to land transfer tax rates, effective January 1, 2017, which would have the following effect—I'm just summarizing here: The tax rate on the portion of the value of the consideration that exceeds \$2 million for the conveyance of one or two single-family residences—for example, a house or condo—will increase from 2% to 2.5%. The tax rate on the portion of the value of the consideration that exceeds \$400,000 for the conveyance will increase from 1.5% to 2%.

The proposed changes to the rates would apply to sales of land or conveyances of land in Ontario that occur on or after January 1, 2017, unless the agreement of purchase and sale for the land was entered into on or before November 14, 2016.

Voting down section 1 would result in the current land transfer tax rates continuing to apply to sales of land that occur on or after January 1, 2017. If section 1 is voted down, the amendments proposed under sections 2, 3, 5, 6 and 7 of schedule 13 would no longer function properly, as they are consequential amendments that flow from the amendments proposed under section 1.

Chair, I can speak for my community in Etobicoke Centre as a great example, and there are many across Ontario, where people have benefited from recent increases in the value of their homes, but young families, first-time homebuyers, are struggling to get into the housing market. To help young families, what the province is proposing is to double the maximum refund for first-time homebuyers from \$2,000 to \$4,000 starting on January 1. This means no land transfer tax will be payable on the first \$368,000 of the cost of your first home. More than half of first-time homebuyers in Ontario would pay no land transfer tax due to the refund.

I should also say that land transfer tax rates have not increased since 1989. What we're proposing is to modernize land transfer tax rates to reflect the current real estate market in Ontario. The new rates will only apply to homes that cost more than \$2 million, and with the doubling of the first-time homebuyer refund, over half of people buying their first home will pay no land transfer tax at all.

What's important to note here—people really need to understand this—is that we're proposing to use the revenue generated from the marginal increases to fund the enhancements to the first-time homebuyer refund. That's really, really important. To provide the relief to first-time homebuyers, to young families, revenue is

being generated from these marginal increases. It allows us to do this. Voting against this section, as has been proposed by the official opposition, would remove these benefits for first-time homebuyers.

These are just some of the points I wanted to make sure were clear to the committee.

The Chair (Mr. Peter Z. Milczyn): Mr. Fedeli.

Mr. Victor Fedeli: Speaking of mischaracterization, as MPP Baker suggested, he has completely mischaracterized. We are not dealing with the enhancement to the new benefits that he's talking about. We are talking about what he has admitted to be a new tax. We're dealing with—if he just pays attention carefully—section 1, subsection 2(1) and 2(2) of that tax. This is to stop the \$105 million of new taxes from coming in to the government. This has absolutely nothing to do with the other side of the land transfer tax, so I don't appreciate the mischaracterization of MPP Baker. We are talking about the tax grab that this government is just about to implement.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: Chair, if we want to offer relief to first-time homebuyers, then the increase in the land transfer tax on homes exceeding \$2 million in value is needed to help fund that relief. That's what I meant by that. So it is needed. Taking that out would mean it wouldn't have that available to fund the relief of first-time homebuyers.

The Chair (Mr. Peter Z. Milczyn): Mr. Fedeli.

Mr. Victor Fedeli: Again, this has nothing to do with the relief. They're not linked in any way, shape or form. We're talking here about them increasing the tax on houses over \$400,000. That's what they're doing here. Let's be clear about this: They are adding tax to houses over \$400,000, plain and simple. If they want to use that to pay for this, that's their option. There are certainly many other options, but increasing taxes always seems to be the default, the go-to, with this government. Can't figure out what to do? Raise taxes. So they're not linked. I believe that that is a total falsehood.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: This will be my last comment. I think they are linked because, in aggregate, the changes proposed to the land transfer tax are revenue-neutral. That's important to note. The land transfer tax increases in certain categories are being used to fund the land transfer tax relief for first-time homebuyers. So they are linked because the money is needed for that purpose.

The Chair (Mr. Peter Z. Milczyn): Mr. Fedeli.

Mr. Victor Fedeli: Chair, my final comment would be that, again, this is a tax grab. Technically, they're not linked here. If you remove this tax grab right now, you can still go ahead with the land transfer tax rebate to families. They're not legally linked here.

The Chair (Mr. Peter Z. Milczyn): No further comment? Then, shall schedule 13, section 1, carry? All in favour?

Mr. Yvan Baker: Sorry, we're voting on—

The Chair (Mr. Peter Z. Milczyn): We're voting on schedule 13, section 1.

Mr. Victor Fedeli: Oh, I thought we were voting on my motion.

The Chair (Mr. Peter Z. Milczyn): No. You've given notice; it's not a motion. You've given notice that you intend to vote against the section. So we're voting on the section.

Schedule 13, section 1: All in favour? Opposed? That carries.

There were no motions or notices tabled for schedule 13, sections 2 and 3, so we will vote on those together. Schedule 13, sections 2 and 3: Shall they be carried? All in favour? Opposed? They carry.

Mr. Fedeli, you gave notice on schedule 13, section 4.

1000

Mr. Victor Fedeli: Thank you, Chair. Schedule 13, section 4 (sections 5.0.1 and 5.0.2 of the Land Transfer Tax Act): We will be voting against that section of schedule 13. Again, because this government has passed through and, quite frankly, rushed through and time-allocated this omnibus bill, they're ramming through a number of changes without proper analysis and any consultation.

This will be another exercise in creating red tape. You've got this government that will be collecting data and, quite frankly, they have not described what data they're going to collect and what they're going to use it for. We feel that this will severely impact transactions across the province and add yet another level of red tape to the real estate sector.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: When I came into office, one of the things that I heard from a lot of my constituents in Etobicoke Centre, and what I believe in—based on my past experience as someone who's worked in business and helped advise companies on how to best invest and manage their resources and money—is that you want to make decisions based on evidence. We know that a lot of young people, a lot of them in my riding, are struggling to enter the housing market. We know a lot of people in general are struggling to enter the housing market, not necessarily young people and not necessarily just the first-time homebuyer.

Section 4 of schedule 13 would allow the minister to collect information about purchasers and the property being purchased in real estate transactions—so collecting additional information—and the information collected would be prescribed by regulation and could include information such as residency, citizenship, the type of property and the intended use of the property.

The information will be used for program administration and to assist in getting a better understanding of our housing market. It's really about gathering information so we can be smarter about what's happening in a housing market and be more knowledgeable about it, and have the evidence that we need to make informed decisions to help do everything we can to help people who are struggling to enter the housing market.

Voting against section 4 would actually remove the authority to collect any additional information. It would

basically not allow us to pursue the evidence that is needed to make evidence-based decisions on this issue.

I know that we heard from a number of folks who came forward to this committee, who testified to their support for this measure, for the fact that the government was going to collect this type of information, because they thought it was a thoughtful approach to informing future decisions on this issue. Because we heard from so many people who supported that collection of information and because I think it's part of what's required to make evidence-based decisions, I think section 4 of schedule 13 is important.

The Chair (Mr. Peter Z. Milczyn): Mr. Fedeli.

Mr. Victor Fedeli: I'm quite surprised that the government now wants to collect evidence. When we were debating Bill 70 in the Legislature, they didn't want to. When it was time-allocated, it was clear they did not want to hear any evidence from MPPs. It was very clear when they time-allocated and came to committee—at 11:45 in the morning, the motion passes; at 1 o'clock, you are to have your information ready and be here to present. It's pretty clear that they didn't want to collect any evidence from the deputants who had to be here with only a couple of hours' notice.

The Chair (Mr. Peter Z. Milczyn): No further discussion? Just to be clear, there is no amendment. We will be voting on schedule 13, section 4. All those in favour of schedule 13, section 4? All those opposed? The section carries.

There were no amendments tabled for schedule 13, sections 5 to 10 inclusive. We'll vote on them together. All those in favour of schedule 13, sections 5 to 10, inclusive? Opposed? Those sections carry.

Now, on schedule 13: Shall schedule 13 be carried? All in favour? Opposed? Schedule 13 carries.

There were no amendments tabled to schedule 14, sections 1 to 6. So on schedule 14, sections 1 to 6, inclusive: All those in favour? Opposed? They carry.

Now, on schedule 14: All those in favour? Opposed? Schedule 14 carries.

There were no amendments tabled to schedule 15, sections 1 through 13, inclusive. We'll vote on those together.

Shall—

Mr. Lou Rinaldi: Chair?

The Chair (Mr. Peter Z. Milczyn): Yes, Mr. Rinaldi?

Mr. Lou Rinaldi: What section are we dealing with?

The Chair (Mr. Peter Z. Milczyn): We are now on schedule 15, sections 1 to 13, and there were no amendments tabled.

Mr. Lou Rinaldi: Thank you.

Mr. Peter Z. Milczyn: On schedule 15, sections 1 to 13, inclusive: Shall they be carried? All those in favour? Opposed? Those sections are carried.

Now, on schedule 15: Shall schedule 15 be carried? All in favour? Opposed? Schedule 15 carries.

Now, on schedule 16, there were no amendments tabled to schedule 16, sections 1 to 4, inclusive. We'll

vote on those together. Shall schedule 16, sections 1 to 4, inclusive, be carried? All in favour? Opposed? Those sections carry.

There was an amendment tabled to schedule 16, section 5. This is motion number 6. Ms. Fife?

Ms. Catherine Fife: I move that section 5 of schedule 16 be struck out and the following substituted:

"Commencement

"5. This schedule comes into force on a day to be named by a stand-alone act of the Legislature."

This is one of our attempts to address the inconsistency of schedule 16 being contained within Bill 70. We are now seeking to have commencement of schedule 16 delayed/removed from the rest of the bill until a later date, as a stand-alone act of the Legislature. This is our attempt to have the schedule consulted on and debated separate from the omnibus budget bill. This, obviously, will provide more time for us to re-examine how flawed schedule 16 is as it is currently crafted.

Many of you will have heard from the skilled trades in your ridings on schedule 16. Our view is that the changes that are contemplated in this schedule are regressive; they are unnecessary and they are universally rejected by labour, who, as we have made it very clear, were not consulted, which was a major recommendation of the Dean report.

The government will say that they have consulted enough, but when you cite a report that recommends that you consult with stakeholders—in this case, the skilled trades and labour—and you fail to do the actual work of consulting, then it means nothing. The changes contemplated in schedule 16 are absolutely not the result of the expert panel on health and safety, whose members are adamant that any move toward accreditation was to be done with employers and labour, which it was not.

When we took this bill back out to our labour partners, they definitely cited these health and safety systems that are contained within schedule 16 that the Minister of Labour talked about in the House. He said that there are jurisdictions, like Nova Scotia, Alberta, and BC, I think, where these health and safety systems have been brought into play and they have improved health and safety. So there are inconsistencies in that statement alone. We believe that any legislation should rely on evidence. The independent investigators who have been studying workplace safety draw a direct connection between the number of workplace inspections and the safety of those workplaces, so when you have a direct correlation between oversight and accountability on safety in the workplace, that creates safe workplaces.

1010

When we were having our briefing on this particular schedule, I raised the issue, in the only time that I had to debate Bill 70, that the Ministry of Labour has, in their own data in their last annual report, cited the fact that they have neither decreased workplace accidents nor increased them. And this is held up as a sign of success, that the ministry is really championing the status quo, so I can understand why the Ministry of Labour is looking for a quick fix.

We see schedule 16 very clearly taking workplace oversight and putting it in the purview of the private sector. This government has a long-standing track record of relying on the private sector, moving towards privatization and accelerating the privatization of public services. Workplace safety should never be left up to the private sector. We have enough evidence to counter that; we just don't have enough evidence so that this government is willing to listen on this particular file.

The misplacement of schedule 16 in Bill 70 raises a lot of questions. This is supposed to be a money bill, right? MPP Baker mentioned this at the beginning of his comments. What's interesting is that the jurisdictions that the Minister of Finance referenced saved money by moving to health and safety systems.

That would be our concern: Instead of doing the hard work with employers, ensuring that those inspectors are trained and have the qualifications to go to workplaces and to ensure that every worker is safe—I mean, that's where the investment needs to happen. If you look at the track record that we have thus far in the province of Ontario and you look at the money that has gone into the Ministry of Labour and where that money has been invested by the Chief Prevention Officer, whose responsibility it is to ensure that policies and legislation are put in place, we see this very clearly as opening the door to outsourcing workplace safety in Ontario.

That would be one of our primary concerns. It is also the concern of those who are on the front line. As a mother who has a son who is entering the trades, that is unacceptable—completely and utterly unacceptable. So we obviously want this section pulled, but we have moved this particular motion as a stopgap for the moment right now.

And just by way of clarification, it is about timing: When we return at 3 o'clock, we only have an hour and 15 minutes to finish clause-by-clause. Is that correct, Chair?

The Chair (Mr. Peter Z. Milczyn): We have an hour for debate, and at 4 o'clock we just move to votes.

Ms. Catherine Fife: So there's one more hour of debate on Bill 70. But this government's not rushing it, so that's okay—

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. Fife.

Just before we recess, committee members, I'm ruling on motion number 6 by Ms. Fife: An amendment intended to alter the commencement clause of a bill, making it conditional, is out of order since it exceeds the scope of the bill and attempts to introduce a new question into it. Therefore, I rule this motion out of order.

The NDP did put in a notice of opposition to schedule 16. I guess we could vote on schedule 16, section 5.

Ms. Catherine Fife: I'd like a recorded vote.

The Chair (Mr. Peter Z. Milczyn): You want a recorded vote on schedule 16, section 5?

Mr. Yvan Baker: Chair?

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: Just for clarification: The motion brought forward by the NDP is ruled out of order? Is that correct?

The Chair (Mr. Peter Z. Milczyn): Yes.

Mr. Yvan Baker: Okay. So debate is finished on that, I presume? Am I understanding it correctly?

The Chair (Mr. Peter Z. Milczyn): Unless people want to continue speaking to it.

Mr. Yvan Baker: Okay. I'd like to say a few words on it.

The Chair (Mr. Peter Z. Milczyn): Certainly.

Mr. Victor Fedeli: Point of order.

The Chair (Mr. Peter Z. Milczyn): Yes?

Mr. Victor Fedeli: How can you speak to a motion that was ruled out of order?

The Chair (Mr. Peter Z. Milczyn): You can speak to the section. In any case, members, it now being 10:15, we will recess until 3 p.m.

The committee recessed from 1015 to 1500.

The Chair (Mr. Peter Z. Milczyn): Good afternoon. As per the order of the House dated November 30, 2016, we're assembled for clause-by-clause consideration of Bill 70, An Act to implement Budget measures and to enact and amend various statutes.

The committee is authorized to sit this afternoon until 6 p.m. Committee members will know that at 4 p.m. today, I am required to interrupt the proceedings and shall, without further debate or amendment, put every question necessary to dispose of all remaining sections of Bill 70 and any amendments thereto. As per the order of the House, a 20-minute waiting period will not be permitted. From that point forward, those amendments which have not yet been moved shall be deemed to have been moved, and I will take the vote on them consecutively.

Julia Hood from the legislative counsel is here to assist us with our work, should we have any questions for her.

Are there any questions, or are we ready to proceed? Very well.

In this morning's session, at the end, we were about to vote on schedule 16, section 5. Shall schedule 16, section 5—

Ms. Catherine Fife: Chair, I did ask for a recorded vote.

The Chair (Mr. Peter Z. Milczyn): Yes, you did, Ms. Fife. Recorded vote: Shall schedule 16, section 5, be carried?

Ayes

Baker, Hoggarth, Martins, Rinaldi.

Nays

Fife.

The Chair (Mr. Peter Z. Milczyn): That is carried.

The NDP has given notice of their intent to oppose schedule 16. Ms. Fife?

Ms. Catherine Fife: For the one hour and 10 minutes that we've had to debate these amendments, we've been very clear about our concerns around schedule 16. The government has articulated a position, we feel, that puts worker safety at risk.

As mentioned earlier, schedule 16 also quite blatantly opens the door to the privatization of health and safety in the province of Ontario, and cites the promotion of health and safety systems, which, as referenced this morning, have proven to not improve health and safety in the other jurisdictions that the minister quoted last week.

Most importantly, process does matter. And when this government moved ahead, against the recommendations of the expert panel, and did not include labour at the table as these systems were debated within the cabinet—internally only—they went against the direct expert panel advice, which is that in order to improve worker safety in the province of Ontario, both the employer and your labour partners actually have to be at the table and part of the consultation process. We find the fact that the government has included schedule 16 in this bill, Bill 70, as an omnibus bill, reprehensible. We have tried to pull it out on two occasions, and so we will be voting against the entire section, schedule 16, because it should not be there.

The Chair (Mr. Peter Z. Milczyn): Thank you. Mr. Baker.

Mr. Yvan Baker: Thanks very much, Chair. First of all, I just want to go back to something I said last week, and most of the members of the committee who are here would have heard me, but it's important that folks, and those folks who are watching at home and who may read the transcript of this debate, understand that health and safety is really important to all of us here on this side and to the minister and the rest of our caucus. So when we think about this particular section, that's first and foremost in our minds, Chair.

I think I told the story last week a number of times to a number of those who came to speak about this section, about my own personal story and how I've experienced working on a site as a labourer, and the importance of health and safety protections for workers. I value that because I experienced that first-hand, but I also experienced in a later time in my life someone getting killed on a work site. I just know how important this is and I know that the minister feels the same way. That's first and foremost.

The second thing I would say is that I think it's important, too, for folks to know that through the Dean report, through the Bentley report, the government has really spent a lot of time consulting with the trades on health and safety issues and on other issues for a long time, so I don't think it's accurate to say that they were not consulted. They have been consulted for quite some time. That's the other thing I want to say.

The third thing I will say is that the idea here of this legislation is that it enables the creation of an accreditation system, but the specifics are not in the legislation,

and so what the government is proposing through this is that those specifics would be developed in consultation with all of the relevant stakeholders, the relevant trades etc. I think that's another important thing to note, that those consultation processes have happened in the past and they will happen in the future.

The other thing I'll mention is that in the legislation, those amendments would not impact the discretion to visit any workplace. I know there has been a lot of talk about inspections, and there's no suggestion in this legislation that those inspections would not continue.

Chair, I just wanted to make sure those things were clear and on the record.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife?

Ms. Catherine Fife: Thank you, Chair. Mr. Baker just articulated a number of things which directly lead to the concerns that we have; mainly that a lot of the details, of course, around the safety legislation, or the safety direction that the legislation needs to go in, have been left to regulation. This is a whole new trend, that this government has pushed down accountability and responsibility and openness and transparency into the regs, which leaves us, as MPPs, out of the equation and, for us, undermines democracy.

Also, I want to remind Mr. Baker that the Ministry of Labour issued a memo on the same day that Bill 70 was released, indicating to stakeholders that they would soon not have to deal with the burden of workplace inspections. This was the language from the ministry: the "burden."

It's interesting that we have moved to a personal place on this, and it is very personal—workplace safety is personal. When I had the hour lead, and only three members were allowed to speak to this piece of legislation because it was limited, I talked in the House about Nick Lalonde, the 23-year-old young man who fell to his death on King Street, in my riding, in the first year that I was elected. There was no workplace inspection on that building. He had no working-at-heights training. He was not in a harness. Every time I go by that building, I think about that 23-year-old young man, who had a child, who was in a relationship, whose mother and family mourn him every single day.

1510

We know that more workplace inspections keep workplaces safer. The evidence is there. The research is well-documented. There's a direct correlation between the accountability of the employer—when employers are held accountable, workplaces are safer. So we do not see this workplace health and safety system as a solution to an ongoing problem of worker safety in the province of Ontario.

Finally, this notion that the government consulted with the trades on this is—I was corrected this morning by one of the organizers of the demonstration that happened last Wednesday. I had quoted 2,000 skilled trades workers; in fact, 5,000 skilled trades workers were on the front lawn at Queen's Park. They were not here to say how supportive they are of this new direction that the government is

going in. They were not here to say that they really appreciated being consulted, because they were left out of this equation. That is why schedule 16 is so flawed. Politics aside—I don't fully understand the politics of this government. I don't understand why you would drop a major, substantive change to the Labour Relations Act into a finance bill like this. You have to know that there are serious trust issues here. That's why people showed up on the front lawn that day.

So whatever you are selling, we are not buying, and neither are the people who are directly affected by schedule 16.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: I really try hard not to sell; I just try hard to speak from fact and experience and use the best judgment I can.

I'd say a few things, and one is that we're all committed to worker safety. I think the disagreement here is how to make sure we achieve that goal, that objective. I think the goal of an accreditation system—again, details to be designed through consultation—is, from my perspective, that we're ensuring that those inspections that are so important and that are so valuable are directed, focused and prioritized on those work sites with those companies that need it most. It would allow us, if properly designed, to ensure that those inspection resources that ultimately help protect people are going to where those workers need the protection the most and where they would be most at risk. Really, that's how I see why this has value. This is designed to protect workers and their safety. Again, the details of this need to be designed and resolved, and that has to be done in collaboration with the various stakeholders, with labour and others who are committed and strong partners for safe workplaces.

I think there was a mention of the working-at-heights programs, and there has been a lot of good work done in the prevention area to make sure that we protect workers there. Prevention works, and the proactive inspections are a huge part of this.

I would simply say that, again, we share an objective, which is to protect the health and safety of workers. This is designed to make sure those inspection resources and other tools that are at our disposal are going to where they're needed most.

The Chair (Mr. Peter Z. Milczyn): Okay—

Ms. Catherine Fife: Recorded vote, please.

The Chair (Mr. Peter Z. Milczyn): A recorded vote has been requested.

Mr. Fedeli, you wish to speak?

Mr. Victor Fedeli: I just want to continue to remind the government in the room that the Ontario PC caucus will be voting against Bill 70 in its entirety, as we do not support the economic policies of this government.

The Chair (Mr. Peter Z. Milczyn): A recorded vote has been requested. Shall schedule 16 be carried?

Nays

Fife.

The Chair (Mr. Peter Z. Milczyn): That is carried.

In schedule 17, there were no amendments tabled to sections 1 through 10, so I will put the vote on those sections together. Shall schedule 17, sections 1 through 10, inclusive, be carried? All those in favour? Opposed? They are carried.

On schedule 17, section 11, there are several amendments that were tabled—four, in fact. Mr. Baker? These would be amendments 7, 8, 9 and 10.

Mr. Yvan Baker: I move that clause 59.1(3)(c) of the Ontario College of Trades and Apprenticeship Act, 2009, as set out in section 11 of schedule 17 to the bill, be struck out and the following substituted:

“(c) if the contravention involves an individual performing work or engaging in the practice of a compulsory trade, whether there is a risk of harm to that individual, to other workers or to the public.”

May I speak to the motion?

The Chair (Mr. Peter Z. Milczyn): Yes.

Mr. Yvan Baker: This amendment would strike the text in the bill about the location of the workers, as the concern should extend the risk of harm in respect of workers without any form of geographic or temporal restriction. This amendment would strengthen the legislation to look at safety in general, without the need to consider any of these restrictions to safety. Again, as I spoke earlier, our goal is the protection of workers and this proposal is consistent with that objective.

The Chair (Mr. Peter Z. Milczyn): Mr. Fedeli.

Mr. Victor Fedeli: The fact that the government is bringing this amendment—and not just this one; 10 amendments to their own bill. If anything that we have said doesn't enforce the fact that not only is this bill flawed and rushed, not only did we not have time to debate it, not only did the government bring in time allocation to truncate the debate, not only did they bring a motion to vote on the time allocation and give potential deputants an hour, two at the most, to rush here that very day and make a presentation, the government themselves have 10 amendments to their own bill. It's rushed that badly; that it wasn't written to their own satisfaction, that they need to amend it 10 times. If nothing tells the people that this thing is rushed all the way through and just force-fed and rammed through, the fact that they have these amendments should sing to that.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife.

Ms. Catherine Fife: We took some of these changes back to some stakeholders, and one fellow from the electrical trade called this the-lipstick-on-a-pig amendment. What he meant by that is that, really, this change just collapses a subcategory involving the administrative penalties for individuals who contravene section 4 around scopes of practice. Quite honestly, it's a tightening of the language.

Ayes

Baker, Hoggarth, Martins, Rinaldi.

I was going to make the same point as my finance counterpart, that you wouldn't have to bring an amendment like this, especially when you're talking around scopes of practice, to a finance committee meeting if you had done the consultation at the beginning part.

We just recommend that the schedule be removed and it be reconsidered. It shouldn't be in here. Schedule 17 should not be part of Bill 70.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: It's interesting, if you listen to this debate and you step back. On the one hand, I hear the official opposition saying that it's not a good thing that the government is bringing amendments to the bill, but then, on the other hand, they are consistently advocating for changes. There have been many suggestions that we haven't consulted, that we haven't listened. I think the fact that the government is willing to amend its own piece of legislation is a sign that we are listening and we're trying to get it right.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife.
1520

Ms. Catherine Fife: Thank you, Chair. No, what we're saying is that you've got it wrong, it's still wrong and it doesn't need to be in here; and that if you had done the consultation at the beginning part, tightening up language around scopes of practice, which is a huge issue in the sector, you wouldn't have to deal with this.

Because the government has brought forward 10 amendments on schedule 17, this would be the best time ever to pull it—to pull it out of Bill 70, deal with it separately and get it right. That would be a signal, actually, to the entire skilled trades sector and to workers across the province that the government understands there are serious concerns that are still outstanding.

In the bulk of these amendments, you're just tinkering around the edges, really, and going through the motions. I don't say that lightly; I truly believe that. You've just made the case, by bringing forward these amendments, that the schedule is flawed. So pull it, and let's deal with it separately.

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett.

Mr. Toby Barrett: I just had an editing point. I'll mention it maybe after this debate is finished. Did you have something further?

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: I was just going to say that if the argument that is being brought forward against this entire section—first of all, the arguments being brought forward are not about this particular amendment or this motion, they're about the entire section. When it comes to this particular amendment, if the greatest argument against this amendment is that the opposition members don't like the section, then I propose we still pass the amendment.

The Chair (Mr. Peter Z. Milczyn): Thank you. Mr. Barrett, you had some—

Mr. Toby Barrett: Yes, I guess it's just a bit of a detail, an editing point. On page 7, we had the phrase “engaging in the practice of a compulsory trade,” and on

page 8, “engaging in the practice of a compulsory trade.” Now, the amendment on page 14 says “engaging in the practice of the trade.” Should that be “compulsory trade,” or does this include compulsory and voluntary trades?

I just raise it as a point of editing. Maybe legislative counsel—

The Chair (Mr. Peter Z. Milczyn): Well, number 14 isn't before us yet, so we can't really debate it. But I guess government members can take that point and consider it.

Mr. Toby Barrett: I think my purpose is to just let people know ahead of time, in case there was a word missing. That's just an editing thing.

The Chair (Mr. Peter Z. Milczyn): Thank you. Seeing no further discussion on the motion, all those in favour of this amendment to schedule 17, section 11? Opposed? That is carried.

Mr. Baker: motion number 8, an amendment to schedule 17, section 11.

Mr. Yvan Baker: I move that clause 59.2(10)(a) of the Ontario College of Trades and Apprenticeship Act, 2009, as set out in section 11 of schedule 17 to the bill, be amended by striking out “and” at the end of subclause (ii), striking out subclause (iii) and substituting the following:

“(iii) if the contravention involves an individual performing work or engaging in the practice of a compulsory trade, whether there is a risk of harm to that individual, to other workers or to the public,

“(iv) the objects of the college, as set out in subsection 11(1); and”.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: Chair, this amendment would strike the text in the bill about the location of workers as the concern should extend the risk of harm in respect of workers without any form of geographic or temporal restriction. Again, this amendment would strengthen the legislation to look at safety in general, without the need to consider any restriction to safety. We have that shared objective of protecting workers, and this proposal is designed to ensure that we do that.

The Chair (Mr. Peter Z. Milczyn): Thank you. If there's no further discussion, we'll vote on the amendment. On the amendment to schedule 17, section 11, motion number 8: All those in favour? Opposed? That amendment is carried.

An additional amendment to schedule 17, section 11: motion number 9. Mr. Baker?

Mr. Yvan Baker: Thanks, Chair. I move that clause 59.2(10)(b) of the Ontario College of Trades and Apprenticeship Act, 2009, as set out in section 11 of schedule 17 to the bill, be struck out and the following substituted:

“(b) may consider other factors it considers relevant, having regard to the public interest.”

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: This proposed motion would provide that, in addition to the factors that must be considered by the OLRB in conducting a review of a notice of contravention issued by the Ontario College of Trades,

as set out in clause (a) of subsection 59.2(10), the OLRB may also consider other factors it considers relevant, explicitly having regard to the public interest.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife.

Ms. Catherine Fife: Well, again, I mean, the fact that the government had to bring in an amendment to change this particular schedule to include “having regard to the public interest” is a sad commentary. It’s like bringing in a budget bill that says that this is a bill that will build Ontario up for everyone; it’s like remembering the fact that we’re here for everyone. Once again, because the skilled trades had not been consulted and could not bring their lived experience and information that they see each and every day in the workplace, the government is having to bring amendments to a flawed schedule which should not be part of Bill 70.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: Chair, I mean, I just have to come back and say, again, that there were two years of consultation, through Mr. Dean and through Mr. Bentley, with the people Ms. Fife is referring to. So to say that there was not consultation, I don’t think, is in any way accurate and fair to the work that Mr. Dean and Mr. Bentley did and the teams of people behind them. We heard a number of folks come forward to testify to this committee about that extensive consultation. So I wanted to get back to that. I think it’s important that these amendments—this bill was not brought out out of the blue; this is something that was consulted on for two years through Mr. Dean and Mr. Bentley.

The Chair (Mr. Peter Z. Milczyn): Thank you. Mr. Gates.

Mr. Wayne Gates: Yes. It’s interesting you talk about consultation. There were 5,000 people on the lawn just a few days ago. You obviously didn’t talk to those trades, and you certainly didn’t talk to their leadership, because it was the leadership that organized the rally to come here to Queen’s Park to send the Liberal government a clear message that 16 and 17 in Bill 70 should be pulled out.

The fact that you’re putting amendments together to kind of look like, “Oh, yeah, well, we’re listening to you,” is, quite frankly, disgraceful to the trades and to every single worker in the province of Ontario around health and safety. I don’t know what you did for a living, but have you ever walked somebody out of a plant that was killed in a plant? Have you ever done that? You ever know what that’s like? Well, you should find out what it’s like. I’ve done it, and it’s not pretty. It shouldn’t happen in the province of Ontario. Weakening labour laws and going after our skilled trades is absolutely disgraceful. I don’t know how you sit over there and try to defend it.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: I have witnessed someone get killed, yes.

Mr. Wayne Gates: Well, then you shouldn’t be changing it. You shouldn’t be doing anything to health and safety—

The Chair (Mr. Peter Z. Milczyn): Okay. Mr. Gates, Mr. Baker maybe has a further answer.

Mr. Yvan Baker: I just wanted to say that we’re not doing this to pretend that we’re listening; we’re doing this to listen and to get it the best we can. That’s what this motion is about.

The Chair (Mr. Peter Z. Milczyn): Thank you. Is there further debate on this amendment? Seeing none then, on the amendment to schedule 17, section 11, motion number 9: All those in favour? Opposed? The amendment is carried.

Again, on schedule 17, section 11, a further amendment: motion number 10. Mr. Baker.

Mr. Yvan Baker: Thank you, Chair. I move that subsection 59.2(11) of the Ontario College of Trades and Apprenticeship Act, 2009, as set out in section 11 of schedule 17 to the bill, be struck out and the following substituted:

“Ontario Labour Relations Board’s decision

“(11) Upon a review, the Ontario Labour Relations Board may, as appropriate under this act,

“(a) resolve the notice of contravention in the manner consented to by the parties;

“(b) rescind the notice of contravention;

“(c) affirm the notice of contravention; or

“(d) amend the notice of contravention by reducing the amount of the penalty if it is excessive in the circumstances.”

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The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: This amendment is really just making sure that we clarify the purview, the role, of the OLRB.

The Chair (Mr. Peter Z. Milczyn): Thank you. Mr. Fedeli?

Mr. Victor Fedeli: Thank you once again, Chair. I just want to reiterate the fact that this is yet another amendment that the government is bringing on their own motion. I’ve only been here five years, but I’ve never seen that kind of action. It tells us that, against Mr. Baker’s thoughts of “we didn’t just bring this out of the blue”—I would suggest the fact that they’re making 10 tweaks to their own bill tells us that it was indeed scrambled and put together.

Again, the PC caucus is voting against the entirety of Bill 70. We do not support the economic policies of the government.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife.

Ms. Catherine Fife: Thank you. What, essentially, this amendment does is that it transfers or confers powers of enforcement to the OLRB, including reducing penalties if they are excessive. We don’t oppose the OLRB having the ability to enforce health and safety; in fact, it does have this power right now. But the compulsory trades asked for—and the government accepted—the role of the College of Trades in regulating compulsory certification. Once again, it just shows that this schedule, schedule 17, should not be part of Bill 70. It should be pulled. We should get this legislation right, right now, because it has been a long time since any government, really, has brought forward such a substantive change.

We call it “regressive,” but it is substantive, going forward.

The Chair (Mr. Peter Z. Milczyn): Thank you. Mr. Baker.

Mr. Yvan Baker: Thank you, Chair. I just wanted to mention quickly that this structure is consistent with other adjudicative bodies in Ontario.

The Chair (Mr. Peter Z. Milczyn): Seeing no further debate, on the amendment to schedule 17, section 11, motion number 10: All those in favour? Opposed? That is carried.

Shall schedule 17, section 11, as amended, be carried? All those in favour? Opposed? That is carried as amended.

On schedule 17, sections 12 and 13, there were no amendments tabled, so I'll take the vote on those two sections together. Shall schedule 17, sections 12 and 13, be carried? All those in favour? Opposed? They are carried.

On schedule 17, section 14, there is a proposed amendment: motion number 11. Mr. Fedeli.

Mr. Victor Fedeli: I move that subsection 63.1(7) of the Ontario College of Trades and Apprenticeship Act, 2009, as set out in subsection 14(1) of schedule 17 to the bill, be amended by striking out “five” and substituting “seven”.

Chair, if passed, this motion would change the quorum for the appointments council from five to seven. Without a larger quorum, a majority vote could actually be three members of the committee, so this is our proposal.

The Chair (Mr. Peter Z. Milczyn): Thank you. Mr. Baker.

Mr. Yvan Baker: I would just say that keeping it at five allows us to—it is the majority of the members of that committee and allows maximum flexibility and responsiveness on the part of the committee.

The Chair (Mr. Peter Z. Milczyn): Further debate? No? Seeing no further debate on the proposed amendment, shall the amendment to schedule 17, subsection 14(1), motion number 11, be carried? All those in favour? Opposed? That is lost.

There are no further amendments to this section. Shall schedule 17, section 14, be carried? All those in—

Ms. Catherine Fife: Recorded vote, please.

The Chair (Mr. Peter Z. Milczyn): A recorded vote has been requested.

Ayes

Baker, Hoggarth, Martins, Rinaldi, Vernile.

Nays

Fife.

The Chair (Mr. Peter Z. Milczyn): That is carried.

On schedule 17, section 15, there is a proposed amendment: motion number 12. Mr. Baker.

Mr. Yvan Baker: I move that section 63.3 of the Ontario College of Trades and Apprenticeship Act, 2009, as set out in section 15 of schedule 17 to the bill, be amended by adding the following subsection:

“Apprenticeship program

“(2.1) An apprenticeship program established by the college for a trade shall correspond to the scope of practice for that trade.”

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: Thank you very much, Chair. This is just really about ensuring that the apprenticeship programs are aligned with the scope of practice for that trade for which they are preparing those individuals.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife.

Ms. Catherine Fife: Well, this is interesting, this amendment, in that, of course, the Auditor General came out with a report last Wednesday and gave us a scathing review, really, of the way that apprenticeships are operating in the province of Ontario—with only, I think, 40% of apprentices completing their training and their program. She cited a number of reasons why the program is failing.

What this motion, I think, is trying to do is the addition of apprenticeship programs and trying to connect it to the scope of practice. The problem is that the scope of practice is still in play and can be defined at a later time. There's really a disconnect, as we see it, with trying to be clear about scope of practice and trying to be clear about the role of the apprentice and the responsibilities around apprenticeship, and yet leaving most of it down to regulation, to be defined at a later time.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: I just think that we want to ensure that those people who take part in an apprenticeship are fully prepared and trained for the trade that they're undertaking. That's really where the focus is. That also actually ensures that we maximize health and safety as well.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife.

Ms. Catherine Fife: Well, that response doesn't really address the issue that I was trying to get to. What the auditor identified for us last week is that you have businesses that are taking in apprenticeship candidates, accepting the apprenticeship tax credit, and then letting them go very shortly after. Also, there were no inspections of those workplaces, there was no follow-up on the quality of the programming that the apprentice was receiving, and there was no guarantee of the training of the journeyman who was actually providing the training. The only time that the ministry was inspecting workplace apprenticeship placements was when someone had to complain. So it's a complaints-driven process.

If you've talked to an apprentice who's hoping to enter a trade, be it framing, drywalling or electrical, it takes a lot of courage to actually call the ministry and say—because first of all, getting an apprenticeship in the province of Ontario is so difficult, and the attempts to incentivise more apprenticeship placements have not been successful. The tax credit was thought to be a

mechanism to do so, but apparently, based on the Auditor General's report, it's just being manipulated. But for an apprentice to actually call and file a complaint, be it around safety or the quality of the instruction, is a huge undertaking. It takes a lot of courage to do that.

So once again, this entire schedule, schedule 17, should be dealt with separately. It's that important to get it right.

1540

The Chair (Mr. Peter Z. Milczyn): Thank you. Further debate? Seeing none, on schedule 17, section 15, the proposed amendment, motion number 12: All those in favour? Opposed? That is carried.

There are no further amendments proposed to this section. Shall schedule 17, section 15, as amended, be carried? All those in favour? Opposed? That is carried as amended.

Schedule 17, section 16: There is a proposed amendment, motion number 13. Mr. Baker.

Mr. Yvan Baker: I move that subsection 63.6(12) of the Ontario College of Trades and Apprenticeship Act, 2009, as set out in section 16 of schedule 17 to the bill, be amended by striking out "subsections (10) and (11)" at the end and substituting "subsections (3) and (11)".

The Chair (Mr. Peter Z. Milczyn): Mr. Baker?

Mr. Yvan Baker: This proposed motion would just ensure that we're referencing properly the subsections under which a classification panel makes determinations.

The Chair (Mr. Peter Z. Milczyn): Any further debate? Ms. Fife?

Ms. Catherine Fife: It does appear that the amendment to the selection panel for compulsory trade certification—it obviously now reports to the minister the findings of the following, and I think this is directly from the act:

"(3) The classification panel shall determine the following matters, as applicable:

"1. Whether a trade referred to it under section 63.4 should be classified as a voluntary trade or a compulsory trade"—I think this highlights the major concerns that people have around how these classifications will happen, how that determination will be made;

"2. Whether a compulsory trade referred to it under section 63.5 should be reclassified as a voluntary trade, or vice versa," and

"3. Whether or not engaging in any practices within the scope of practice of a compulsory trade, whether or not the practice was referred to the classification panel, should constitute engaging in the practice of the trade for the purposes of sections 2 and 4."

This is a more substantive amendment, I think, from the government side of the House. I think the discussion and the determination of how the minister will determine what is a voluntary trade and what is a compulsory trade goes to the heart of the concerns that the 5,000 workers had when they came to the front lawn of Queen's Park.

I think it's important to also point out that this amendment is another way in which self-regulation is taken away from the college and placed without clear definition

in the hands of the minister. I referenced earlier that there are some serious trust issues about how these decisions are going to be made and what's motivating these decisions, and consultation with the compulsory trades would have definitely cleared this up. That's why we want schedule 17 to be removed and reconsidered.

The Chair (Mr. Peter Z. Milczyn): Thank you. Any further debate? Seeing none, on schedule 17, section 16, the proposed amendment, motion number 13: All those in favour? Opposed? That is carried.

There is one additional proposed amendment to schedule 17, section 16: motion number 14. Mr. Baker.

Mr. Yvan Baker: I move that subsection 63.6(15) of the Ontario College of Trades and Apprenticeship Act, 2009, as set out in section 16 of schedule 17 to the bill, be struck out and the following substituted:

"Risk of harm

"(15) In addition to considering any criteria prescribed under subsection (14), a classification panel making a determination under subsection (3) shall consider whether there is a risk of harm to the individual performing the work or engaging in the practice of the trade, to other workers or to the public."

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: Chair, this amendment would strike out the text in the bill about the location of workers, as the concern should extend the risk of harm in respect to workers without any form of geographic or temporal restriction.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife.

Ms. Catherine Fife: I'm not sure what the member means by "temporal restriction." Perhaps he can just clarify, because he said it a couple of times. Is this the mindset of the worker at the time?

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: What we're trying to do is make sure that the bill doesn't constrain the consideration of risk of harm too much, geographically or over time.

Ms. Catherine Fife: Or over time.

Mr. Yvan Baker: Over time. "Temporal" refers to time.

Ms. Catherine Fife: Okay. Our concern around this amendment, as with the other government motions, motions 7 to 10, is that this collapses the subsection, removing the phrase "or engaging in the practice of the trade, to other individuals at or near the site where the trade is being performed or practised."

This is not an important omission, from the government side. I think it would be important for us to ask the compulsory trades if they would agree to the change. Do they think it makes sense for them? Would it apply in a lived-experience, real-world way? The way to find that out, of course, would be to pull section 17, take it back out and consult in a meaningful way, which was not done the first time.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: Chair, I'll just say again that this bill and the amendments that we brought forward are a reflection of and come out of two years of consultations

with the trades and with other important stakeholders, led by Mr. Dean and Mr. Bentley.

Again, there was extensive consultation done, and these are being brought forward after very thoughtful consideration and consultation.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife.

Ms. Catherine Fife: Just for the record, just in case there's any question, our view is that the changes contemplated in schedule 16 are not the result of the expert panel on health and safety, one whose members are adamant that any move toward accreditation was to be done with employers and labour, which it was not.

We're sort of at a fork in the road here, I guess, in that the government insists that they can cite these two major reports, but contained within those reports, the substantive recommendations—all of the substantive recommendations—involve both the employer and the labour sector at the table, working together to improve not only the safety of workplaces, but the quality of the trades and the quality of the training. As we heard through the delegations, there is a direct correlation between the training that skilled trades workers receive and the safety of those workers, just as there is a direct correlation between the accountability of the employer around workplace inspections—the number of inspections and the quality of the training are direct factors in keeping workplaces safe.

So, once again, I think this points to the fact that schedule 17 is flawed.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: The reports that Ms. Fife spoke about actually aren't pertaining to this section. This is section 17. The references that Ms. Fife made were to schedule 16. Here we're referring to 17.

I will say again that what is being brought forward here is based on extensive consultation, through Mr. Dean and Mr. Bentley, for around two years, so extensive consultations have been done.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife.

Ms. Catherine Fife: Just to be clear, process matters. That's why I referenced those two reports. The same philosophy applies to schedule 16 as it does to 17, in that if you don't do your due diligence, if you push through and rush through a piece of substantive legislation which leaves so many questions left in the regulatory part, then you undermine the entire democratic process.

1550

I share the concerns of my fellow finance critic from the PC Party that there has been so little time invested in ensuring that schedules 16 and 17—because we are dealing with schedule 17—reflect what is actually needed to happen around the compulsory and voluntary trade discussion. When you leave out, really, what is evidence—because the people who actually are on the front line have the most experience and they have the best knowledge. They have more knowledge than all of us, who have spent very little time, I think, on construction sites.

So, to Mr. Baker's point, that's my point: In order to get it right, the process has to reflect the needs of the

people that we're supposed to be creating legislation for, which is not one group or another group; it's all workers in Ontario.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: I would just say that, to create legislation that is in the interest of workers in Ontario, you undertake a consultation process that is thorough and thoughtful and led by people who are thorough and thoughtful, like Mr. Dean and Mr. Bentley. Those consultations were undertaken by Mr. Dean and Mr. Bentley for over two years. So I think that that process was undertaken and that consultation was done.

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett.

Mr. Toby Barrett: Yes, I'll just raise my technical point again. I chatted with legislative counsel. Maybe this could be explained better, but we're no longer talking about a motion that's limited strictly the compulsory trades; this includes the voluntary trades as well. Do I have the proper interpretation?

Ms. Julia Hood: That's correct. The previous motion that you raised spoke of compulsory trades in a section that was specific to compulsory trades. This section isn't. It uses the more general term "trades" because it covers more than just compulsory trades. Previous references in the section are just to trades more generally.

Mr. Toby Barrett: Yes. So, more than compulsory trades—that would mean, by elimination, voluntary trades, or maybe there are other trades that—

Ms. Julia Hood: Yes. The provision is about classifying them one way or the other, so it's just a general catch-all of "trades."

Mr. Toby Barrett: Yes. Thank you.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife?

Ms. Catherine Fife: On that point—and thank you, Mr. Barrett, for raising it. Around the new qualifications around risk of harm, would this then not apply to voluntary trades? Is it just specifically to the compulsory trades, or is it just something that the government left out because it has been rushed so fast?

Mr. Yvan Baker: I don't know if that's a question to me or legal counsel.

Ms. Catherine Fife: Well, you're the government side of the House. Is it the intention of the government to purposely leave out the voluntary trades around risk of harm?

Mr. Yvan Baker: I'm just going to leave it as is. I don't want to get into a long debate about the legal interpretation. I think what I would say is that this is really about extending risk of harm and protecting workers. This ensures that we can do that for as many workers as possible.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife?

Ms. Catherine Fife: I know that—

Mr. Toby Barrett: To your point—

Ms. Catherine Fife: Let me go first, and then you.

I know that you don't want to have a legal debate, but we are talking about laws here and legislation. That's why it's important to have some clarity. So this may be

an outstanding question; I don't know. Mr. Barrett wants to weigh in.

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett.

Mr. Toby Barrett: Just to that point—and maybe that was the reason I raised it back when we were on page 7. On page 7 and page 8, the motions there do not cover the voluntary trades.

Ms. Catherine Fife: It does not.

Mr. Toby Barrett: Yes. That's what I was wondering about.

Ms. Catherine Fife: So I—do you have more?

Mr. Toby Barrett: No. I guess that's the wording.

Ms. Catherine Fife: So I guess that lends itself to more questions, right? If we are lowering the bar around risk of harm for voluntary trades, that's another question that would be answered if we were just specifically dealing with this section and it wasn't contained within an omnibus bill. Maybe it's just an error or omission from the government side; I'm not sure.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker?

Mr. Yvan Baker: Chair, I think this question is about the legal interpretation of what this would do. I think that would be best placed to the legal counsel, who can give you the independent legal assessment of that. If it's a question of the intentions of the government and why we're bringing it forward, then I've already spoken to that.

Mr. Toby Barrett: Chair, I don't mean to—sorry—

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett.

Ms. Catherine Fife: No, go ahead.

Mr. Toby Barrett: I did raise it when we were discussing the motion on page 7. When we look at that motion, I didn't want to go backwards, but I was instructed to wait. But if we go backwards, obviously the motion on page 7 does not cover the voluntary trades. Is that correct? Maybe I should ask legal counsel; I'm sorry.

Ms. Julia Hood: Sure. The motion on page 7 amended a different section. If the subject matter of that section was compulsory trades, then referring to a compulsory trade there would be appropriate. This amendment is an amendment to section 63.6, which deals with both types of trades and the classification of them, so that's why the more general term is used for consistency throughout the provision. This isn't changing the language of those provisions as they already were in the bill. Those references to compulsory trades were "compulsory trades" in the original provisions in the bill. The reference here to just simply "trades," again, already is just a reference to a trade in the bill, so that's not being changed.

The Chair (Mr. Peter Z. Milczyn): Further debate? Ms. Fife.

Ms. Catherine Fife: Just for legislative counsel, then: The language is not changed, but is it the risk of harm that is changed—the classification?

Ms. Julia Hood: The words that are changed in this provision are—in the original bill, there was a reference to "other individuals at or near the site." That is being changed to "other workers." That is the change made,

essentially, by the motion. Everything else in the provision stays the same.

Ms. Catherine Fife: But that's an important omission. If you're taking out the phrase "or engaging in the practice" of the trade "to other individuals at or near the site where the trade is being performed or practised," that's actually a substantive change, then. That was removed from the original legislation, right?

Ms. Julia Hood: "Engaging in the practice of the trade" is still in there. It's the reference to "other individuals at or near the site."

Ms. Catherine Fife: "At or near the site where the trade is being"—

Ms. Julia Hood: It has been substituted with a reference to "other workers."

Ms. Catherine Fife: So I guess our question is not so much around language or the legislation; it's a political question around the intent of why that change was made. I have to say, I don't think that we have heard a response from the government side about that.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker?

Mr. Yvan Baker: Again, I've spoken to this. The goal here is to extend the risk of harm in respect of workers without any form of geographic or temporal restriction. If I take a step back to answer a question around the intent, in your comments and in the previous motion—

The Chair (Mr. Peter Z. Milczyn): I apologize for interrupting you so loudly.

It is 4 p.m. Committee members, pursuant to the order of the House dated November 30, 2016, I am required to interrupt the proceedings and shall, without further debate or amendment, put every question necessary to dispose of all remaining sections of Bill 70 and any amendments thereto. No 20-minute waiting period is permitted. Committee members will know that, from this point forward, those amendments which have not yet been moved shall be deemed to have been moved, and I will take the vote on them consecutively.

1600

Members, before us right now is schedule 17, section 16, motion number 14—the amendment. All those in favour of the amendment? Opposed? The amendment is carried.

Shall schedule 17, section 16, as amended, be carried? All those in favour?

Ms. Catherine Fife: Recorded vote.

The Chair (Mr. Peter Z. Milczyn): Recorded vote.

Interjection.

The Chair (Mr. Peter Z. Milczyn): The Clerk advises me that I've already called the question. So all those in favour? Opposed?

Ms. Catherine Fife: Opposed. There, I've recorded it.

The Chair (Mr. Peter Z. Milczyn): It is carried.

There are no amendments to schedule 17, section 17. Shall schedule 17, section 17, be carried?

Ms. Catherine Fife: Recorded vote.

The Chair (Mr. Peter Z. Milczyn): A recorded vote has been requested.

Ayes

Baker, Hoggarth, Martins, Rinaldi, Vernile.

Nays

Fife.

The Chair (Mr. Peter Z. Milczyn): That is carried.

Schedule 17, section 18: There is an amendment to this section, motion number 15. On the proposed amendment, all those in favour? Opposed? The amendment is carried.

Shall schedule 17, section 18, as amended, be carried? All those in favour? Opposed? That is carried.

There are no proposed amendments to schedule 17, sections 19 through 23 inclusive. Shall schedule 17, sections 19 to 23 inclusive, be carried? All those in favour? Opposed? They are carried.

Schedule 17, section 24: There is a proposed amendment, motion number 16. Shall this amendment be carried? All those in favour? Opposed? The amendment is carried.

Shall schedule 17, section 24, as amended, be carried? All those in favour? Opposed? That is carried.

There are no amendments proposed to schedule 17, sections 25 to 27 inclusive. Shall schedule 17, sections 25 to 27 inclusive, be carried? All those in favour? Opposed? They are carried.

Schedule 17, section 28: There are a series of amendments. There is an amendment to schedule 17, subsection 28(5), motion number 17 in your books. On the amendment, all those in favour? Opposed? That is carried.

There is an amendment proposed to schedule 17, section 28, motion number 18 in your books. However, committee members, an amendment intended to alter the commencement clause of a bill, making it conditional, is out of order since it exceeds the scope of the bill and attempts to introduce a new question into it. I therefore rule this motion out of order.

There are no further amendments tabled. Shall schedule 17, section 28, as amended—

Ms. Catherine Fife: Recorded vote.

The Chair (Mr. Peter Z. Milczyn): A recorded vote is requested. Shall schedule 17, section 28, as amended, be carried?

Ayes

Baker, Hoggarth, Martins, Rinaldi, Vernile.

Nays

Fife.

The Chair (Mr. Peter Z. Milczyn): The section, as amended, is carried.

Schedule 17: The NDP has brought forward a notice of their opposition to it. Shall schedule 17, as amended—

Ms. Catherine Fife: Is this the full section?

The Chair (Mr. Peter Z. Milczyn): Yes.

Ms. Catherine Fife: I'd like a recorded vote, please.

The Chair (Mr. Peter Z. Milczyn): Recorded vote. Shall schedule 17, as amended, be carried?

Ayes

Baker, Hoggarth, Martins, Rinaldi, Vernile.

Nays

Fife.

The Chair (Mr. Peter Z. Milczyn): It's carried, as amended.

Schedule 18, sections 1 through 12 inclusive: There are no amendments. Shall schedule 18, sections 1 through 12 inclusive, be carried? All those in favour? Opposed? Sections 1 through 12 are carried.

Shall schedule 18 be carried? All those in favour? Opposed? Schedule 18 is carried.

Schedule 19, sections 1 through 7 inclusive: There are no amendments proposed. Shall schedule 19, sections 1 through 7 inclusive, be carried? All those in favour? Opposed? Sections 1 through 7 are carried.

Shall schedule 19 be carried? All those in favour? Opposed? Schedule 19 is carried.

Schedule 20, sections 1 and 2: There are no amendments proposed. Shall schedule 20, sections 1 and 2, be carried? All those in favour? Opposed? Sections 1 and 2 are carried.

Shall schedule 20 be carried? All those in favour? Opposed? Schedule 20 is carried.

Schedule 21, sections 1 to 5 inclusive: There are no amendments proposed. Shall schedule 21, sections 1 through 5 inclusive, be carried? All those in favour? Opposed? Sections 1 through 5 are carried.

Shall schedule 21 be carried? All those in favour? Opposed? Schedule 21 is carried.

Schedule 22, sections 1 and 2: There are no amendments proposed. Shall schedule 22, sections 1 and 2, be carried? All those in favour? Opposed? Sections 1 and 2 are carried.

Shall schedule 22 be carried? All those in favour? Opposed? Schedule 22 is carried.

Schedule 23, sections 1 and 2: There are no amendments proposed. Shall schedule 23, sections 1 and 2, be carried? All those in favour? Opposed? Sections 1 and 2 are carried.

Shall schedule 23 be carried? All those in favour? Opposed? Schedule 23 is carried.

Schedule 24, sections 1 through 6 inclusive: There are no amendments proposed. Shall schedule 24, sections 1 to 6 inclusive, be carried? All those in favour? Opposed? Sections 1 through 6 are carried.

Shall schedule 24 be carried? All those in favour? Opposed? Schedule 24 is carried.

Schedule 25, sections 1 to 6 inclusive: There are no amendments proposed. Shall schedule 25, sections 1 to 6 inclusive, be carried? All those in favour? Opposed? Sections 1 through 6 are carried.

Shall schedule 25 be carried? All those in favour? Opposed? Schedule 25 is carried.

Schedule 26, sections 1 through 10 inclusive: There are no amendments proposed. Shall schedule 26, sections 1 to 10 inclusive, be carried? All those in favour? Opposed? Sections 1 through 10 are carried.

Shall schedule 26 be carried? All those in favour? Opposed? Schedule 26 is carried.

Now, we're returning to section 1.

Interjection.

The Chair (Mr. Peter Z. Milczyn): Yes. So sections 1, 2 and 3 were stood down at the commencement of the meeting. There were amendments proposed.

Motion number 1 to subsection 1(2): As per O'Brien and Bosc, the enacting formula of a bill is not subject to the approval of the committee or the House, and therefore may neither be debated nor amended. I therefore rule this motion out of order.

On subsection 1(3), there was an amendment proposed. Again, committee members, as per O'Brien and Bosc, the enacting formula of a bill is not subject to the approval of the committee or the House, and therefore may neither be debated nor amended. I therefore rule this motion out of order.

Now, on section 1: Shall section 1 be carried? All those in favour? Opposed? That is carried.

Section 2: commencement. Shall section 2 be carried? All those in favour? Opposed? That is carried.

Section 3: short title. Shall section 3 be carried? All those in favour? Opposed? That is carried.

Shall the title of the bill be carried? All those in favour? Opposed? That is carried.

Shall Bill 70, as amended, be carried?

Ms. Catherine Fife: Recorded vote.

Mr. Toby Barrett: Recorded vote, please.

The Chair (Mr. Peter Z. Milczyn): A recorded vote has been requested.

Ayes

Baker, Hoggarth, Martins, Rinaldi, Vernile.

Nays

Barrett, Fedeli, Fife.

The Chair (Mr. Peter Z. Milczyn): That is carried.

Shall I report the bill, as amended, to the House? All those in favour? Opposed? That is carried.

That concludes our clause-by-clause review of Bill 70. Thank you to the members. There being no further business before the committee this afternoon, we are adjourned.

The committee adjourned at 1613.

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Also taking part / Autres participants et participantes

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Mr. Wayne Gates (Niagara Falls ND)

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Mr. Eric Rennie

Staff / Personnel

Ms. Julia Hood, legislative counsel



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Deuxième session, 41^e législature

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Standing Committee on Finance and Economic Affairs

Pre-budget consultations

Comité permanent des finances et des affaires économiques

Consultations prébudgétaires

Chair: Peter Z. Milczyn
Clerk: Eric Rennie

Président : Peter Z. Milczyn
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Thursday 8 December 2016

Jeudi 8 décembre 2016

The committee met at 0900 in room 151.

PRE-BUDGET CONSULTATIONS

The Chair (Mr. Peter Z. Milczyn): Good morning, committee members. I'm calling this meeting to order to resume our pre-budget consultations. Each witness will receive up to 10 minutes for their presentation, followed by five minutes of questioning from the committee. Are there any questions before we begin?

CANADIAN TAXPAYERS FEDERATION

The Chair (Mr. Peter Z. Milczyn): I'll call up our first witness, Ms. Van Geyn. If you could please come forward. As you start your presentation, if you could please state your name for Hansard.

Ms. Christine Van Geyn: My name's Christine Van Geyn. I'm the Ontario director of the Canadian Taxpayers Federation. It's my pleasure to be here this morning to give my 2017 pre-budget submissions.

The CTF is a non-profit, non-partisan citizens' organization, funded by over 23,000 grassroots individual donations from across the country. Our supporters and our organization are focused on lower taxes, less waste and government accountability. It's with this mission in mind that I'm going to be making this morning's submissions.

Ontario families are faced with a crisis that has been created by their government. Out-of-control electricity prices are forcing some families to choose between paying their grocery bill, paying their mortgage payment or turning on their lights. The threat of cap-and-trade is forcing business out of the province and taking jobs with them. There's a disconnect right now between the politicians who hold the levers of power and the ordinary lives of the citizens of this province.

This morning, I'm recommending that the government focus itself on creating a budget that will make life affordable for everyone in Ontario.

My submissions are broken into five sections. I'll be calling on the government to pursue changes to the electricity sector that are sensible and end political meddling, to immediately walk away from plans for cap-and-trade, to increase transparency and accountability, to reduce spending; and to focus on debt reduction.

For the bulk of my time today I'm going to be dealing with hydro rates and cap-and-trade. If you are interested

in the other submissions, they're available in my written report.

The current hydro situation is unsustainable in Ontario. Media coverage over the past years has told the tragic stories of Ontarians who are faced with bills that they can't pay and which they can't control.

Consider, for example, the story of Kara Shaw of Constance Bay. She's a single mother on a fixed income. She can't afford to turn on the lights and relies on battery-powered candles to light her home. She relies on electric heat, which she can rarely afford to use, and to keep her two children warm, they sleep in one room under an electric blanket.

Or think of Bob Kincaid and his wife, Janine, of Sundridge. Bob is 80 years old, and despite having used wood to heat his home, he and his wife could not continue to pay their \$500 hydro bills. It forced them out of the community that they had lived in their entire lives.

These bills are also hurting Ontario businesses. Shaikat Khan, who owns an Indian restaurant in Windsor, is considering shutting down his business because he can't afford the electricity. The restaurant has only been in business for two years and, so far, he has paid more for hydro than he earns in profits.

There are many businesses that have already left the province. Mucci Farms in Kingsville are building new greenhouses in Ohio because even though they've been in business in Ontario for 45 years, they cannot continue to do business in this province or expand in this province, even though that is their preference.

Higher hydro rates mean more costs not just to businesses and families but also to government. The cost of running a school or hospital has gone up because of hydro rates. Money that might otherwise be spent on students or patients is being spent just keeping the lights on.

Municipal governments are caught flat-footed by rising rates as well. In Oshawa, the city spent more than \$150,000 to keep the streetlights on in the month of June 2015. Of that, only \$3,600 was for the actual electricity.

When communities can't make ends meet, they turn around and increase property taxes or they turn to the provincial government to ask for new taxing powers. That's exactly what's happening in Mississauga, where a \$1.3-million projected hydro bill has the city proposing a 5.9% property tax increase, and here in Toronto, where John Tory is asking for the new power to toll roads.

This cost of electricity is unsustainable and a direct result of this government's continual political meddling with the grid. Undoing over a decade of this mismanagement is an urgent challenge, and we have several recommendations that could be implemented immediately.

First: Cancel additional generation projects and procurement. We're exporting electricity at a multi-billion-dollar loss. If we're paying to get rid of electricity, common sense demands that we stop spending money building even more generation. Despite this common sense, in 2016 the government awarded five wind power contracts that will cost customers \$65 million annually and \$1.3 billion over the next 20 years. The government has also concluded another procurement through FIT 5.0. This is the same small-scale generation that has led to rates being driven up across the province.

We recommend that the government review these contracts and assess whether the cost of cancellation would be less than the cost of going ahead, and pursue the path that is going to save consumers in this province the most money.

Second: In the recent speech from the throne, the government recommitted to even more generation—1,000 megawatts of power—through LRP II. Faced with tremendous public pressure, two weeks later the government reversed course, suspending that new procurement. But it hasn't been cancelled, and, given this government's tendency to quickly change course depending on political winds, we remain concerned that LRP II could be reinstated. So we recommend cancelling, not just suspending, LRP II.

Third: The government should stop spending hundreds of millions of dollars each year on conservation programs. Over \$400 million a year is being wasted. In large part because of the high cost of electricity, consumption for the average household has gone down 25% over the past decade. In fact, consumption has dropped so much that in April the OEB actually raised rates because of reduced consumption. So the \$400 million spent being spent every year on conservation is actually driving rates up. Ending this practice could save \$2 billion over five years.

We also recommend an end to the politicization of the electricity sector. The energy system in Ontario hasn't had a technical plan in place for over 10 years, even though the Electricity Act requires one. This has resulted in a lack of checks and balances in the legislative planning process and a complete politicization of the system, which has led to things like the Green Energy Act and the Green Economy Act, which have driven rates up. We recommend restoring and abiding by the checks and balances in the planning process.

The next major point I'd like to make is about cap-and-trade. The government has claimed that the cap-and-trade tax will not increase electricity rates. The truth is that it will. The Auditor General found that cap-and-trade is expected to bring higher electricity prices—14% higher for businesses and 25% for households, a price that Ontarians cannot bear.

We're also concerned with the other costs of cap-and-trade. The government's claim that it will cost \$13 a month ignores many of the indirect costs. That number focuses solely on natural gas and gasoline. The reality is, cap-and-trade will cost a lot more. The government's own estimate is that the tax will squeeze \$1.9 billion out of Ontario businesses and families in the first year. Since there are 4.9 million households in Ontario, by the government's own estimate, that cost in the first year is more likely to be \$387 per household, not \$156—a difference of 148%.

A report by Stikeman Elliott estimates that the cost of cap-and-trade on small manufacturers will be \$136,000 in the first year. That's just the first year. By 2030, the cost for large participants will be \$2 million. The plan for an \$18-a-tonne carbon tax, of course, is just the thin edge of the wedge, with projections of up to \$95 a tonne by 2030.

0910

Of course, this plan is going to send billions of dollars outside of Ontario—\$2.2 billion to Quebec and California—and for what? So the government can claim that a reduction target was met. Most of that target won't even be achieved by emission reduction in Ontario. The Auditor General found that only 20% of that target will be achieved by Ontario reductions. The rest will happen in California and Quebec, but the government is going to take credit for it? And that's if those reductions even occur. The current system could allow reductions to be claimed in multiple jurisdictions, potentially tripling the reduction being claimed on paper. This creates a situation rife with opportunity for fraud.

It's not the only example of a lack of transparency in cap-and-trade. There will not be a separate line item on natural gas bills saying the cost of cap-and-trade. HST will be charged on top of that tax—a tax on tax.

This is a situation unique to Ontario. In British Columbia, there is no tax on tax for the carbon tax. It's rebated, and the carbon tax is listed as a separate line item on natural gas bills.

The Chair (Mr. Peter Z. Milczyn): Thank you. That is your 10 minutes. We'll now move to five minutes of questions from the official opposition.

Mr. Victor Fedeli: Good morning, Ms. Van Geyn. Thank you very much for your advocacy; I want to begin with that. I know you have five topics. You have been able to cover electricity and cap-and-trade. I want to give you some time to talk about your other three, if you're prepared for that.

In the transparency and accountability part, you talk about subsidies to political parties. That was passed this week. In your reduced spending part, you talk a little bit about the bonuses of \$5.7 million to the Pan Am execs who came \$342 million over budget, and you talk about the repercussions of debt and deficit. Would you expand on those three, if you're prepared for that?

Ms. Christine Van Geyn: Yes, of course. We are deeply concerned with plans to provide a taxpayer subsidy to political parties and constituency organizations.

We think it's a multi-party issue and that every party should be opposed to this. That's a tremendous amount of money when services are being cut in certain areas. The government is going to war with doctors over wages for doctors and OHIP rates. To say, "We're going to spend money subsidizing political parties"—millions of dollars subsidizing political parties. I don't think the priority of most people in this province is to give money to politicians to run for re-election, to flood our airwaves at election time with campaign ads and to stuff our mailboxes with literature.

We care about building roads and bridges. That's what the supporters of our organization care about.

To begin with, political parties already receive more generous tax treatment than charities. A donation to the PC Party, the NDP or the Ontario Liberal Party will get you a more generous tax credit than a donation to the Red Cross. To then, on top of that, say, "We're going to spend millions of dollars helping you advertise"—we think that's an immoral situation in this province. It's an abuse of taxpayer money.

The other thing I'm concerned about has to do with public sector wages. We learned last week of up to 35% raises for government managers. People working in the private sector are not seeing wage increases like that. People in the private sector are already undercompensated relative to public sector workers. A study by the Fraser Institute found that, on average, the public sector premium is about 12%. So the idea of giving someone who's already making six figures a 35% bump is clearly not an appropriate use of taxpayer money, and it reflects poor management by the government.

As for debt and deficit, we're coming up to our ninth consecutive deficit. The Financial Accountability Officer has projected that the government is going to be adding, I think, \$50 billion in debt over the next five years. The government is claiming a balanced operating budget for 2018. The FAO has raised a lot of questions about whether that's feasible, but if it does occur, it's based on the one-time sale of assets. That is not a way of achieving balance in the long term in a sustainable way. We want to see balance over the long term—spending growth that is controlled and doesn't rise above the rate of inflation.

Mr. Victor Fedeli: I think the FAO's number is now \$64 billion, to increase, and he forecasts further deficits. He does not forecast a balance, as the government does. In fact, in the month of November alone, he came out with four consecutive papers—not just the first one, which was the prep for the fall economic statement—where he said that we're not going to balance. After the fall economic statement, he came out with three more papers saying, "I told you," then another one that said, "Look, I mean it," and then commentary that said, "You're not listening. This is not going to happen. We'll have 13 consecutive deficits."

Time, Chair?

The Chair (Mr. Peter Z. Milczyn): Thirty seconds.

Mr. Victor Fedeli: Do you have a little more you can add about the advertising powers that the Auditor General spoke about?

Ms. Christine Van Geyn: Yes, of course. We're really very concerned about the AG's powers being stripped. In her most recent report, she found that much, much more was spent on advertising after her powers to review partisan advertising were removed. We found many examples, especially related to the ORPP, of advertising that was clearly partisan and would not have been approved under the old rules. We feel very strongly, and our supporters feel strongly, that that power should be restored.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. I know you provided a written submission. If you have further written submissions you'd like to provide, you have until 5 p.m. on January 20.

Ms. Christine Van Geyn: Okay. Thank you.

COUNCIL OF CANADIAN INNOVATORS

The Chair (Mr. Peter Z. Milczyn): Our next witness is with the Council of Canadian Innovators. Good morning, sir.

Mr. Ben Bergen: Good morning.

The Chair (Mr. Peter Z. Milczyn): As you begin your presentation, if you could please state your name for the official record. You will have up to 10 minutes for your presentation.

Mr. Ben Bergen: Thank you, members of the committee, for having me here today. Thank you, Chair Milczyn, for chairing the meeting. My name is Ben Bergen. I'm here on behalf of the Council of Canadian Innovators. We are a business council that represents high-growth Canadian technology firms. Our members are CEOs from 65 of Canada's fastest-growing—scaling—tech companies. Many of them reside right here in Ontario: Shopify, Wattpad, Igloo Software and D2L.

I am here today to speak about three important areas that high-growth Ontario technology companies need support in: access to customers, access to capital, and access to talent. Before I begin, I would like to clarify the difference between a scale-up and a start-up.

Start-ups are on a quest to find product-market fit, developing and iterating their product or service, experimenting with customer segmentation, and working towards a positive contribution margin.

Scale-ups, on the other hand, have already validated products in a market, own proprietary IP, and have proven that the unit economics are sustainable. A scale-up is on a quest to continue that upward climb. Our organization focuses solely on scale-ups.

To go back to the three points that I iterated that we have come here to seek help and assistance in, access to customers is the first. Smaller, fast-growing companies often have a difficult time accessing markets abroad for two reasons: (1) They are unable to secure government contracts domestically which validate their expansions internationally, and (2) Because the government procurement process is so cumbersome and complicated and currently not designed to advance the growth of smaller and medium-sized businesses, virtually all of our high-growth firms face challenges with procurement.

The bottom line here is that domestic scale-ups need to be strategically considered for doing business with the government. We cannot keep looking to major multinational branch plants as the only customers who can supply products and services to the government. If the government does business with domestic vendors, the local economy also thrives.

Point number two, on access to capital: The province recently unveiled a \$4-million commitment to establish a new Ontario investment office. The council would like to see the government leverage this office to help support domestic scale-ups since they have great potential to add new revenue to Ontario. This could include a “go global” strategy whereby the office works through different Ontario trade offices abroad, relying on international networks to help grant Ontario firms the point of contact abroad and helping Ontario companies reach these markets.

0920

Dedicated funding and management of these funds through the central capacity of the Ontario investment office ensures that Ontario firms can rely on consistent funding distribution that are not selected by the RICs but by criteria set by the government to help companies when they reach certain growth points.

Growth-oriented tax incentives: The government needs to better ensure outcomes from both direct and non-direct incentives and funding programs. Indirect incentives require consideration from both a corporate and personal tax perspective to encourage risk and attract investment. Direct incentives need to be re-evaluated and given due consideration for their benefits.

Effective and attractive funding vehicles: In order for government funding programs to facilitate meaningful growth in Ontario's ecosystem, flexibility is the key principle that should be adopted in all related programming. This will also require understanding of distinct growth phases of a scaling company and how to support their specific growth strategies.

Finally, of the three items mentioned, access to talent: The council is advocating for a dedicated tech stream for high-skilled workers within the provincial nominee program. Many of you know that this program is on a first-come, first-served basis, and the province—through the Ministry of Advanced Education and Skills Development—could address the immediate lack of tech talent in the province to help support high-growth firms.

The Ministry of Advanced Education and Skills Development in Ontario should also consider developing a platform to measure and forecast labour shortages within a 10-year outlook to prepare for the changing workforce. A similar model has been developed in British Columbia, allowing for policy to adjust to the changing labour force in both public and private sectors.

In closing, decades long of investment into Ontario's tech ecosystem have helped spur the start-up community. However, as the global economy evolves, investments made by the government need to reflect the changing ecosystem, and we need to help few firms that are scaling up globally. They are the future of Ontario's prosperity.

We need business metrics that show the effectiveness of regional innovation centres and how their outcomes advance high-growth firms, and Ontario needs a strategy that focuses on maturing Ontario's innovation ecosystem to respond to today's needs of this sector. It can only develop that strategy by re-examining what supports are provided to domestic scaling companies. This can only be done by having a direct relationship with the CEOs of these companies.

I thank you for your time. I'm happy to take any questions that you have.

The Chair (Mr. Peter Z. Milczyn): Thank you. This round of questions is to the New Democrats for five minutes.

Mr. John Vanthof: Thank you, Mr. Bergen, for coming. I think we all appreciate your explanation of the differences between a start-up and a scale-up, in particular that a scale-up has already demonstrated its financial capacity to get projects done.

Regarding the government procurement process, what are the biggest obstacles? Is it that the government relies only on big companies as their fallback position?

Mr. Ben Bergen: I think that there are a number of challenges—and thank you for the question. Often, the process is quite lengthy and cumbersome in terms of actual submissions that need to be sent. Medium- and small-sized businesses often don't have that in-house expertise, whereas larger multinationals or larger businesses have that expertise built in-house. So their ability to actually go forward and advance is difficult, given their structure and size. Another challenge is often how they find out about that procurement process in terms of the set-up. They're often not having enough lag time in order to set up a proper bid for the procurement piece. So it's a number of factors.

Mr. John Vanthof: When you spoke about talent, I perceived that there are two problems: There's a lack of immediate talent and lack of a long-term plan, which I think has also been addressed by the Auditor General's report—that we didn't have a long-term plan of where the future jobs are going to be and where training should be emphasized.

Mr. Ben Bergen: Yes. There are probably two points to that. One would be with scaling Ontario technology companies. There are very few individuals in the province who have expertise who have taken, say, a company from \$10 million in revenue to \$100 million to \$1 billion in the technology space in the province. That's just because we haven't had domestic companies that have scaled. Bringing in a CFO or someone who has particular business acuity in that space specifically around scaling—they often don't reside within the province or within the country. So being able to bring in those key individuals, whether it be from Europe or from Silicon Valley, to Toronto or Ottawa or Waterloo is really helpful in helping that company grow and actually expand here. Those people often come in almost as educators and help create more jobs around them because they act as the central piece of that. That's one of the immediate

challenges that we're facing, and so obviously, as our companies scale and grow, those skills would be divided and learned throughout the ecosystem.

Then, the other one is sort of a projection piece. This is a StatsCan number: In the next 20 years, there's expected to be 187,000 positions in the ICT sector that will need to be filled, and which we won't fill, given our current rate. There is obviously a training piece that looks towards the future, but in terms of the current immediate needs, I think this ability to maybe use some of those provincial nominee spaces for this sector, which can really help add jet fuel to these companies, would be very beneficial, not only for the companies but also for the province in terms of revenue creation and also in terms of jobs that follow that.

Mr. John Vanthof: Okay. Finally, when you mentioned capital, I also saw a couple of things in there. In your experience, an overall tax structure that helps across the board, is that a better system than programs that help individual companies? What's the most effective use of government dollars?

Mr. Ben Bergen: If we're re-examining that piece, I guess there's sort of two pieces. One, obviously, is that a low tax rate for businesses is beneficial. How that slices across—there's maybe some more nuance there. But I think when we're looking at the direct investment piece, whether it's us giving money to multinationals in specific areas, could that money be better deployed to scaling technology companies that are based in Ontario? I think that's one of the real considerations that we'd like to put forward. If you're looking at specific funds or allocations that are going to X multinational, why aren't we considering that for our domestic scaling companies here rather than just reverting to that narrative?

Mr. John Vanthof: Do I have time for another question?

The Chair (Mr. Peter Z. Milczyn): That's five minutes.

Mr. John Vanthof: So—

The Chair (Mr. Peter Z. Milczyn): No, Mr. Vanthof, that was five minutes.

Mr. John Vanthof: Was it?

The Chair (Mr. Peter Z. Milczyn): Yes. Right on the dot.

Mr. John Vanthof: Sorry. Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your submission. Again, you've submitted something. If you want to provide additional materials, you have until 5 p.m. on January 20.

Mr. Ben Bergen: Great. Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much.

CUPE ONTARIO

The Chair (Mr. Peter Z. Milczyn): Our next witness is with the Canadian Union of Public Employees. Good morning, Mr. Hahn. As you begin your presentation, if you could please state your name for Hansard.

Mr. Fred Hahn: Good morning. My name's Fred Hahn. I'm the president of CUPE Ontario. CUPE is the largest union in the province. We have more than 250,000 members living and working in every community across Ontario. Our members look after Ontarians in hospitals, at home and in long-term care. We provide support and educate the next generation, from their very first day at child care, through primary and secondary school and all the way through university. We keep our lights on, our water clean, our neighbourhoods safe and clean, and provide emergency medical services when needed. We make life better for developmentally challenged adults and children, and we protect children at risk.

CUPE members are working hard every day to make Ontario a better place to live, and it's work that has been getting harder and harder each year because of choices made by this government. I'd like to open my comments with a blunt statement: The government's on the wrong track. It's been on the wrong track for many years. It's perpetuated an agenda based on a low corporate tax strategy and cutting program expenditures in real terms. The government has been priding itself on having low corporate tax rates, and on low per capita spending on public services. It prides itself on shrinking expenditures as a percentage of GDP. But the very things that the government has been priding itself on diminish the quality of public services and make public service workers and service recipients more vulnerable, while only serving to increase the profits of large corporations and banks on Bay Street. Austerity has failed to make people's lives better. It has failed to create the conditions for strong economic growth. It's time to put an end to this austerity in Ontario and pursue a fiscal and economic plan that invests in public services and helps to redistribute wealth.

0930

The Financial Accountability Officer reported that the government's projections on a balanced budget are based on overly optimistic projections. It's unlikely to meet its targets without spending cuts or increasing revenues. More cuts, in nominal or real terms, will have deep and profound damaging effects. So the only legitimate option is to increase revenue. The low corporate tax policy embraced by this government has deprived the public of tens of billions of dollars since 2010, preventing the province from balancing its budget, depriving us of investments in services and in infrastructure that would improve the quality of life for the majority of the people of the province.

Although damage has already been done by this low corporate tax policy, it's not too late to do the right thing. Now is the time for a progressive tax policy that actually brings shared prosperity to Ontarians. The government must also stop all forms of privatization, including the sale of public assets, reliance on inefficient and ineffective public-private partnerships, and the contracting out of services.

Selling off valuable assets like Hydro One for one-time cash infusions into public coffers is incredibly short-

sighted. Moves like these deprive the government of the tools to meet public policy goals, like making hydro affordable for families and business. It also deprives the public of the common wealth that we've spent generations building together.

P3s, or public-private partnerships, are a form of privatization that increase cost, diminish quality and undermine public policy goals by giving the private sector a great influence in the building of infrastructure and the delivery of services. P3s are regularly revealed to be a boon for business at the expense of the rest of us, verified time and again by our Auditor General. Contracting out undermines the quality of services. It undermines the government's stated goal of improving the quality of jobs and protecting against precarity. There should be a general prohibition on any agency that receives provincial funds contracting out services. This would be a way that the government could start to meet its stated objectives in the Changing Workplace Review.

Our submission also identifies a broad array of investments in public services that will improve the lives of the people of Ontario. Public services form an essential part of the well-being for all of us in the province. Public services are provided to people based on need and improve people's quality of life; they reduce inequality and they help to build our economy. Public services are worth approximately \$17,000 a year for most individuals in the province and \$41,000 a year to the average household. Investments in improving these services will obviously improve those benefits and free up resources in households for other things, which will add stimulus to our economy.

There are some specific recommendations that we make in our submission. Some of these include a gender wage gap strategy that must be fully funded. The gender wage gap consultations make several concrete recommendations for action, including improving child care and improving pay equity. The government should immediately invest \$500 million to create more affordable, public, not-for-profit child care spaces and invest an additional \$300 million to address the underfunding in existing child care spaces.

It will be necessary to fully fund pay equity obligations as well. Without dedicated additional funding for pay equity, transfer agencies are faced with an unacceptable choice between meeting these goals or cutting services and jobs.

Increased spending on health care, including hospitals and long-term care and home care, must exceed the rate of inflation, at least at 6%. Inflation is higher in health care because of pharmaceutical and medical equipment cost increases, population growth and aging population. Anything less than 6% becomes an effective threat to the system as a cut.

Fixing the funding formula for schools is needed. The current model hasn't changed significantly since the Mike Harris years and is based on a very limited understanding of what should be funded, focusing only on things like reading and writing and math. Funding has to

be based on the real needs of schools. Yes, dedicated funding for teaching, but also support and maintenance. We need an amended funding formula that understands we need whole schools to educate our children. Funding must also be sufficient to ensure that school boards are not forced to close schools, which puts a burden not just on children but on the communities in which they live.

There must be increases in funding to universities to improve teaching and the learning environment there and to drop students' fees, with the ultimate goal of eliminating tuition fees altogether. Funding to universities must also be tied to a directive to ensure that services are provided in-house, not outsourced or contracted out. Public money should not be used to cut jobs or diminish the quality of work.

Wait-lists for developmental service are unacceptably high. Shockingly, 12,000 people are still waiting for access to residential supports. It will take an investment of \$1.2 billion to eliminate that wait-list, but that is something this special committee of the Legislature actually called for.

There needs to be a comprehensive anti-poverty strategy that includes resources for staff at Ontario Works offices to provide better employment services for people on social assistance. An essential piece of any poverty strategy must be an immediate increase to social assistance rates: 55% is needed to bring people up to the purchasing power they had more than 20 years ago, in 1994.

An anti-poverty strategy requires concerted government action on housing policy as well. Providing affordable housing to low-income Ontarians is essential, and it simply won't be built because there's no incentive to create that when there's only a profit motive that drives decisions about what gets built.

Anti-poverty action also requires increased funding for public transit, as well as for improved access to education and training. Public services are designed to meet a variety of needs for those living in poverty and are the most effective way to help people in need. Increasing cash transfers to individuals will help, but increases must be coupled with investments in services.

These are only some of the specific recommendations we make in our submission. We encourage you to read the entire document. Thank you for your time. I'd be happy to take any questions you might have.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Hahn. This round of questions goes to the government side: Ms. Hoggarth, for five minutes.

Ms. Ann Hoggarth: Good morning, Fred. Thank you very much for your presentation and representing your members so well.

I just want to make a statement in regards to unemployment. Very clearly, traditional areas where unemployment has been high, such as Niagara, Hamilton, Windsor—in those areas, the percentage of unemployment is quite low right now.

That being said, a report from the C.D. Howe Institute suggests that congestion in the greater Toronto and Hamilton area alone costs Ontario's economy at least \$6

billion per year, with one estimate putting the cost at \$11 billion a year. We hear all the time about how frustrated commuters are with sitting in traffic. They want to spend more time at home with their friends and their families, and they want transportation options that are both efficient and convenient. In fact, those living in my community of Barrie consistently tell me that our government needs to continue making improvements to our local transit system so that they are better able to travel around the community.

Do you believe that these investments will improve the everyday lives of Ontarians, including a lot of your members?

Mr. Fred Hahn: Thanks for the question. I will just start to talk a little bit about unemployment figures. One of the things that is startling is that, in the last number of reports from Stats Canada, in any job growth that has happened—not just, of course, in Ontario, but in other jurisdictions—there's an explosion in part-time and precarious jobs.

One of the things that the government has said it wants to do is improve the quality of work so that we can improve the overall economy and have shared prosperity in the province of Ontario. It's incredibly important to understand that while people are returning to work, they're returning to part-time jobs, precarious jobs, jobs where they are relying on being called into shifts, jobs that don't actually support families in the way that we all understand we need for our future.

There's no question that investments in infrastructure, particularly in transit, will help not just in the GTA but across the province, that not just low-income Ontarians but all Ontarians will rely on those kinds of investments. The way in which those investments are made, and the way in which we find the revenue for those investments, is incredibly important.

Large corporations in our province have the lowest taxes they've paid since the 1930s. Their profit margins continue to grow. Our banks are doing quite well in financial circles, not just here but around the world. They also benefit from a better transit system, from a good health care system, from an education system that ensures that we have a strong economy, with people who are well trained and well educated. Yet they're simply not paying their fair share in relation to the way that they have for generations in our province. When you and I and other people—my friends and neighbours, my family members—are paying 30% or more of their income and happily doing so understanding that, in contributing tax dollars, we are contributing to the services that make our communities better, it is completely understandable and reasonable that we would be here to ask you to consider ensuring that corporations and banks that have good profits are also paying their fair shares. Because they benefit from better roads, they benefit from better transit systems and they benefit from our health care system just the way that all of us do.

0940

Ms. Ann Hoggarth: Thank you. I think that the statistic shows that we have added more than 600,000

jobs in the last few years, which is important to your members as well; is that not so?

Mr. Fred Hahn: And many of those jobs are part-time and occasional jobs. In fact, as I said, Stats Canada reports in their most recent job figures that every job created was a part-time job. It's important not just to create jobs in general; it's important to talk about what kinds of jobs we're creating, what kind of future we're creating and ways in which government policy can help influence and ensure that we're actually creating full-time, permanent jobs for people, who can actually then contribute effectively to their communities and raise their families. That can't be done on part-time, contingent work.

Ms. Ann Hoggarth: How much time?

The Chair (Mr. Peter Z. Milczyn): One minute.

Ms. Ann Hoggarth: One minute? We are making the largest infrastructure investment in Ontario's history, and we're moving forward the plan to unlock the value of certain public assets and use the proceeds to help support investments in transit and transportation infrastructure. We have committed over \$160 billion over the next 12 years in infrastructure. We know that investing in infrastructure spurs economic growth and creates jobs. Our plan will support the creation of 110,000 jobs annually. Do you believe that these investments will grow Ontario's economy and the business sector as well?

The Chair (Mr. Peter Z. Milczyn): Unfortunately, that is your five minutes.

Ms. Ann Hoggarth: Oh, sorry.

Mr. Fred Hahn: Darn, I don't get to respond. Thanks.

The Chair (Mr. Peter Z. Milczyn): Well, Mr. Hahn, you do have until January 20 at 5 p.m. for any further written submissions you'd like to provide.

ENBRIDGE GAS DISTRIBUTION

The Chair (Mr. Peter Z. Milczyn): Our next witnesses are from Enbridge Gas. Good morning, gentlemen. You have up to 10 minutes for your presentation and, as you begin your presentation, if you could please state your name for Hansard.

Mr. Ian Macpherson: Good morning. Ian Macpherson for Enbridge Gas.

Mr. David Donovan: David Donovan for Enbridge Gas as well. We have a presentation, if somebody could turn on the television. There we go.

The Chair (Mr. Peter Z. Milczyn): The floor is yours.

Mr. Ian Macpherson: Okay, thank you.

Good morning. I am Ian Macpherson, director of market solutions and energy efficiency at Enbridge Gas. Before I start, I'd like to thank you for inviting me to speak to this legislative committee; it's a pleasure to be here.

At Enbridge, we exist to help fuel Ontario's quality of life. Whether it's natural gas, renewable energy or conservation programs, we deliver the energy our customers need and we have a vision of how we can continue to

evolve into low-carbon areas. In fact, we undertook research to determine the best ways to reduce emissions through natural gas initiatives, and it shows that with the right policy support and access to cap-and-trade proceeds, we can reduce emissions by 21 megatons by the year 2030, which is roughly one third of Ontario's target.

This chart you're seeing on the screen, created by ICF Consulting, shows the 21 megatons that I'm referring to. This is in the purple section.

Today I want to focus on two of the key priorities that could produce half of those results, and which we believe the government should move on quickly: removing regulatory barriers and directing cap-and-trade proceeds, as soon as they become available, to enable investments in renewable natural gas and natural gas for transportation.

With the release of Ontario's climate change action plan this spring and the implementation of Ontario's cap-and-trade system starting next month, decisions on the timing of these investments committed in the CCAP are imminent. Funding to subsidize natural gas vehicles, fueling and maintenance infrastructure is critical. Not only is natural gas up to 40% less expensive than both diesel and gasoline as a transportation fuel, but the carbon reduction and air quality improvements are significant. We estimate that about three megatons can be diverted by 2030.

The climate change action plan recognizes this potential, committing that a "green commercial vehicle program would be set up to provide incentives to eligible businesses that want to buy low-carbon commercial vehicles and technologies to reduce emissions, including ... natural gas-powered trucks." It also states that "the province intends to work with the Ontario Trucking Association, Union Gas, Enbridge and others to establish a network of natural gas ... fuelling stations."

Delaying the natural gas vehicle program by not allocating proceeds from the first tranche of cap-and-trade will have a long-lasting impact on emissions in the transportation sector. There was an article in the *New York Times* in August lamenting just such a lost opportunity in Manhattan:

"The administration of Mayor Bill de Blasio of New York has set clear, aggressive goals for reducing greenhouse gas emissions," including a pledge to cut emissions from the city's vehicle fleets by 50% by 2025. "But other decisions now in the works could prevent the city from meeting" this goal.

"The Department of Sanitation—the city agency with the highest vehicle fuel consumption and greenhouse gas emissions—plans to buy 340 new refuse trucks this year, with at least 300 powered by diesel engines. That would lock in high diesel emissions" and air quality impacts "for the seven-year service life of these trucks," and will make meeting the 50% target very difficult to achieve.

While this article is about New York City, the same thing is happening right now in Ontario. Cities like Vaughan and York region are considering renewing

contracts for refuse with diesel, while at the same time commercial trucking fleets are purchasing new vehicles, locking themselves into a seven-to-10-year lifespan with these types of emissions.

These are not lost opportunities yet. They can be preserved, but the government needs to act now by allocating funding from cap-and-trade proceeds to refuelling infrastructure and conversion rebates to enable fleets to choose low-carbon natural gas and renewable natural gas. The longer the gap between the government announcement of funding for natural gas vehicles via the climate change action plan and the actual dollars being made available, the more the market stagnates and the opportunity for a generation of cleaner vehicles will be lost, like what may happen in New York.

So it is important that at least some money be directed towards this program next year, to send a strong signal to the market that natural gas is the way of the future for heavy vehicles and prevent this situation from happening in Ontario.

The second thing I'd like to talk about is renewable natural gas. We have a short video to start us off to introduce it.

Video presentation.

Mr. Ian Macpherson: Just like the electricity sector in Ontario, the natural gas grid can be decarbonized through the introduction of renewable natural gas into our grid—what we call RNG—and ramping up our conservation programs, which have diverted more than 18 megatons of carbon since 1995.

RNG comes from sources like landfills, waste water treatment plants, farms and residential organic waste. It has the same environmental benefits as renewable electricity and can be created at a fraction of the cost. RNG represents an innovative way for Ontarians to turn a waste product into clean energy for heavy vehicles and building heating while lowering greenhouse gas emissions.

RNG is perhaps one of the best examples of the circular economy, when using RNG to power the very refuse trucks involved in collecting waste. This is something that's actually happening right now—and planning to be happening—in the city of Toronto. Trucks running on this RNG achieve a recognized net neutral emissions designation.

Through partnerships across Ontario, a commitment to RNG could see a GHG reduction of eight megatons by 2030, but we need government action on RNG through regulatory support and the investment of proceeds starting next year to drive this market.

The climate change action plan recognized this potential, committing up to \$100 million and stating that Ontario would introduce "a renewable content requirement for natural gas and provide support to encourage the use of cleaner, renewable natural gas in industrial, transportation and buildings sectors."

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That was a great starting point in June, but here we are in December, and Quebec, California and British Columbia have moved forward with RNG introduced

into their natural gas system, and Ontario has made little progress and is starting to fall behind.

In fact, California companies are coming to Ontario as we speak and purchasing biogas and RNG from producers who currently don't have a mechanism to bring this valuable resource to the market locally.

We need the government to move quickly on this, first, by allowing gas utilities to start procuring RNG as part of our gas supply portfolios before Ontario's lowest-cost biogas is committed to California and other jurisdictions, and second, by committing cap-and-trade proceeds as soon as possible to improve the economics of these projects.

Ontario's own climate change action plan lists RNG as the lowest-cost carbon abatement initiative available, at \$5 per tonne. Delaying this program further doesn't make sense, and we will lose more of this resource to California and others the longer we wait.

While we commend the government for recognizing the value of RNG, as well as natural gas vehicles, in the action plan, we now urge the government to recognize the economic and environmental benefits of enabling us to move quickly on these initiatives and the risks of delaying them.

In the least, we would request that you please consider grandfathering any future incentives to those projects and clients who are ready to advance their projects in 2017.

We appreciate the opportunity to be here today and believe that the implementation of our recommendations would help secure Ontario's position as both an economic and environmental leader. We look forward to working with the government to help meet its economic and environmental goals. Thank you for listening.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. We now have up to five minutes of questions from the official opposition. Mr. Barrett.

Mr. Toby Barrett: Thank you for the presentation. Biomethane: How is that transferred from a landfill to a plant to clean it? Is it by truck or dedicated pipeline or—

Mr. Ian Macpherson: It depends. The best projects are ones where they're close to the natural gas system, and the biogas has to be cleaned up to pipeline specifications and then we inject it directly into the gas system. But it can be trucked.

Mr. Toby Barrett: So it would just be like these dewatering units that we see?

Mr. Ian Macpherson: We have to manage water content, but the quality of the gas—the gas coming out of a landfill or other devices, like sewage or a farm, isn't going to have the same quality as gas through the system, so we need to clean out things like sulphur and water and other particulates to meet that pipeline quality standard.

Mr. Toby Barrett: So, like at a farm? You put a little unit in there between the farm and the nearest pipeline?

Mr. Ian Macpherson: Absolutely. It's done today.

Mr. Toby Barrett: The Financial Accountability Officer did a paper on cap-and-trade costs in Ontario. I haven't read it yet. What did he have to say about the impact on our prices for natural gas down the road?

Mr. Ian Macpherson: It will certainly have an impact on natural gas prices, starting next month. I believe there's a price impact of about just above three cents per cubic metre. On an annual basis for end-use residential customers, the impact is approximately \$70, and customers will certainly feel that. In the longer run, I don't know how to estimate what the impact will be, but it will increase.

Mr. Toby Barrett: As far as the natural gas expansion in parts of rural Ontario, I think it was in the 2014 budget that a considerable amount of money was announced. I understand it never was allocated.

Mr. Ian Macpherson: It has not been decided on. We understand the government is working on that program as to exactly how that will work. So we're waiting and considering the OEB's recent decision on community expansion, and I understand the government is valuating how that program will roll out alongside of it.

Mr. Toby Barrett: And then there was a statement a number of months ago from the Minister of the Environment about potentially phasing out natural gas for home heating, the argument being natural gas is a greenhouse gas. Any new information on that? A lot of homeowners are concerned about that. There are a lot of homeowners like myself who would love to actually finally get access to natural gas.

Mr. Ian Macpherson: I think the government has clarified its direction on that. It has clarified the fact that it's interested in creating innovation and opportunity in the market for increased building standards in Ontario that could provide the opportunity that homes would not require natural gas and could be powered through a combination of renewable energy and other sources of energy that are cleaner than today. I don't think the idea is about removing natural gas access, as it is one of the more economic, beneficial and cleanest fossil fuels available today.

Mr. Toby Barrett: Just another question, then: We hear from the propane industry, which is a very important industry in much of rural Ontario and eastern Ontario. Any change in the system would have changes in other parts of the system. I don't know how your industry is coordinated with propane distribution. Any comments on that?

Mr. Ian Macpherson: I'm not sure I understand the question. We compete with—

Mr. Toby Barrett: Say if there are government subsidies to expand the use of natural gas, where does that leave the propane industry?

Mr. Ian Macpherson: Oh, I see. It's a good question. I think we compete with propane today on the margins of our system. Propane is also a very clean fuel and very competitive. In some areas where it makes sense to economically distribute natural gas, I think we will compete in those areas and, as per the board decision, will be charging custom rates in those areas. Those won't be the same rates that we'll be charging in other areas, and propane will have a fair chance to compete with us.

Mr. Toby Barrett: Okay. Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. If you do have anything further you'd like to submit in writing, you have until 5 p.m. on January 20.

Mr. Ian Macpherson: Okay. Thank you.

Mr. David Donovan: Thank you.

FIX OUR SCHOOLS

The Chair (Mr. Peter Z. Milczyn): Our next witness is Fix Our Schools. Good morning, Ms. Wylie. You have up to 10 minutes for your presentation. If you could please state your name for Hansard as you begin.

Ms. Krista Wylie: Thanks. My name is Krista Wylie. I'm here representing Fix Our Schools, which is a grassroots, non-partisan, parent-led campaign working to create a large network of citizens across the province who all expect the provincial government to ensure that every Ontario public school student attends a safe, well-maintained school that offers a conducive learning environment, and that the \$15 billion of disrepair that impacts all 72 Ontario school boards is addressed quickly. We all expect that publicly funded education be a priority for all three parties in the next provincial election, and we would ask that all public schools be funded as critical public infrastructure, on par with transit.

We decided to take a little trip back in history in order to figure out where we need to go next with education funding. So we'll take us back to the late 1990s to begin. Mike Harris's PC government amalgamated school boards and implemented the new funding formula, seeing school boards rely exclusively on the province for all funding and shifting the power dynamic in education funding and policy-making.

Fast-forward five years: Elizabeth Witmer, PC education minister at that time, commissioned the Rozanski report to review how well that whole new structure and funding formula had been working. He identified a couple of issues of note for us relative to capital needs. At that time, in 2002, he identified that \$5.6 billion of deferred maintenance had been allowed to accumulate in our schools. His recommendation to solve that issue was that school boards ought to be able to secure the capital financing needed to quickly address that deferred maintenance through debentures, and that the province support school boards with \$200 million of additional funding for school boards to take care of interest and principal payments on those debentures. So even back in 2002, we recognized that a capital problem that accrued over many years could not realistically be solved with annual allocation of funding. Keep that in your mind for later, when we get to a recommended path forward.

Rozanski also identified that yearly funding at that time for school renewal from the province to school boards was only \$266 million a year on assets valued at \$28 billion. That was less than 1% of the replacement value of those assets, despite the fact that there were established guidelines back then that recommended that governments would provide annually a minimum of

1.5% to 4% of the current replacement facility value and allocate that for renewal needs. Again, that was almost 15 years ago, and—just keep this in mind—for 15 years, we've seen continual underfunding of school renewal. So Rozanski recommended, back in 2002, that we update the benchmark costs within the education funding formula, as well as increase the annual funding for school renewal.

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Fast-forward a few years and we see education minister Gerard Kennedy with the Liberals launch the Good Places to Learn initiative, stating, "Ultimately, a school's condition reflects the state of commitment of one generation to the advancement of the next." He confirmed that over \$5 million—there's a typo in this. It was not \$5 million. It had not gone down \$4.5 billion. He confirmed, same as Rozanski, that there was over \$5 billion of disrepair at that time in our schools. He also recommended an increase of annual renewal funding and an extraordinary one-time \$2.1-billion amortization fund, again using some debt instruments to fund capital needs.

So we fast-forward over a decade, and that takes us to when I was last here with you folks, in February. We referenced the December 2015 report by the Ontario Auditor General a lot. She referenced industry standards again, as well as Ontario's asset base of schools, and recommended that \$1.4 billion per year was realistically needed just to keep our schools in good shape. She also noted at that time that \$14 billion of disrepair existed in schools, confirming that schools were not in good shape. So that \$1.4 billion was keeping the ship afloat but would not do much to take care of the amount of deferred maintenance that had been allowed to accrue. We talked a lot about this last year when we were here.

We were actually thrilled in June 2016 when the provincial government announced an additional \$1.1 billion of funding for school repairs over two years. What that money does is it brings annual funding for school renewal to what should have always been the case, to \$1.4 billion. What it does not do is take care of the \$15 billion that was allowed to accrue in deferred maintenance.

We were also thrilled in August of this year when the Ministry of Education released disrepair data on all schools in Ontario, increasing the transparency into the issue of school conditions and confirming that \$15 billion of capital repair backlog exists in our publicly funded schools and it impacts every single one of our 72 school boards.

Education funding: What's needed going forward? Our expectation is that we would not dial back and that we would continue with the commitment of at least \$1.4 billion a year for school repairs and school renewal. We would expect ongoing transparency about disrepair in our schools. We are hopeful that there will be an annual release of FCI data as well as an analysis on the overall capital repair backlog so that we, as citizens, can see what we hope is a stem in the tide of year-over-year increases in this amount and that instead we'll start to see a decrease in that \$15 billion of disrepair.

We would recommend that debt instruments need to be explored and that those are the only tools available that will sufficiently and with the speed required take care of these buildings in which two million children spend their days.

We would recommend guidelines for the desired conditions at which schools should be maintained. High-level: What FCI are we looking for? What averages? Lower-level: We'd expect guidelines for the actual learning and working conditions of children and adults who spend their days in Ontario school buildings and a plan for how to reach those goals. We would like to see issues not limited to but including: What's the acceptable temperature range of classrooms for children to learn in and teachers to work in? What's an acceptable air quality for those classrooms? What's an acceptable amount of natural light? There are many, many children learning in classrooms with no windows. That might surprise those of you with no children in the public school system, and actually it would surprise many parents also, because we don't often hear about the problems that happen in schools because our children think that it's normal.

We would like to see a proportionate distribution of the capital costs of maintaining school assets amongst the municipalities, the various provincial ministries and the various federal ministries that all use these schools as assets. Yet we continue to burden school boards exclusively with the capital costs of maintaining those buildings.

We'd like to see an approach to selling schools that recognizes the importance of local schools as community hubs and focuses on the needs of students, families and communities, rather than on efficient use of assets at all costs.

We'd like the provincial government to stop promoting the notion that disrepair in schools happened mostly because of an inefficient use of assets by school boards when, in fact, many, many documents, including the ones I've cited, would suggest that there has been gross and chronic underfunding to school boards. So even if they had used every school as efficiently as humanly possible, with the funding given over the last 20 years, they would not have been able to keep those schools up to a standard to which Ontario children should have access.

We'd like to recommend a structure where power over education funding and policies and the accountability for actually delivering public education reside in the same place, making passing the buck, which has become quite a sport in delivering education—I would say most parents in this province are quite tired of that, so we'd like to see power and accountability reside in the same place.

We'd like to see a structure where accountability for the delivery of public education reflects the reality and experience of real students and teachers, that it's not a sanitized look at EQAO numbers and high school graduation rates. When you actually talk to real students and real parents, you might hear a very different story. Full-day kindergarten has not been the success that media would present to us.

We'd also like a review of the funding formula and the benchmark costs which inform most grants in the funding formula. Back in 2002, when Rozanski wrote his report, that is exactly what he recommended: that constant improvement and review of the funding formula is needed. The Liberals have promised this in almost every election and have yet to actually do a complete review and rejig of the funding formula. It's time. Leading up to the next provincial election, we're here not asking for a shell game of rejigging different pockets of money. We're asking for a complete look at how we're funding education in this province and how the power dynamic works.

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. Wylie. That's 10 minutes.

Ms. Krista Wylie: Thanks.

The Chair (Mr. Peter Z. Milczyn): Ms. Fife, you have up to five minutes for questions.

Ms. Catherine Fife: Thanks very much, Krista, for coming back in again and for presenting a contextual look at schools in the province of Ontario.

I was a trustee with the Waterloo Region District School Board for almost 10 years. Every time our maintenance budget came up—maintenance and capital—it always became a rush to address crisis. So instead of being proactive or even having some flexibility around designing buildings, as you point out, with natural light and energy efficiency to create holistic, healthy learning environments, we were always putting out fires. So I appreciate you making the case, and really, you're very accurate in your description of the issues that school boards face from a capital perspective.

I would like for you to expand a little bit on debt instruments to secure the capital investment required to quickly address the \$15 billion, because this is a huge number. Any government that forms in this province is going to have to deal with this, as a priority, one would hope. Do you want to expand a little bit on where—

Ms. Krista Wylie: On our recommended debt instruments?

Ms. Catherine Fife: Yes.

Ms. Krista Wylie: Me and my panel of investment advisers?

Ms. Catherine Fife: For sure.

Ms. Krista Wylie: Do you know what? Honestly, Catherine, we don't have specific recommendations. We realize realistically a few things: We will always have a certain amount of disrepair in our schools. Just like homeowners, there is always going to be a little bit of backlog on our houses. There might be a roof that we know needs to be done this summer but we can't do it until the following year.

I think we would like to see the \$15 billion of disrepair brought down to a reasonable number in short order. Are we expecting the government to issue \$15 billion in bonds and take on \$15 billion of debt? Realistically, no. However, back in 2002, the recommendation was made to take care of what was then only \$5 billion of disrepair. Fourteen years later, we haven't done

the trick. We haven't found the funding solution to stem the tide on this accumulation of disrepair.

Our working group is not filled with financial analysts, so we don't have an exact debt instrument that we would recommend, but we would suggest, based on our knowledge of reality and how you would fund capital problems that accrue over many years versus operational issues, that a \$15-billion problem is not going to go away with a reallocation of an annual budget.

Ms. Catherine Fife: But you do make a strong economic argument. We have invested in these schools. They are public assets, and there is a responsibility to protect that investment, right? You're making the point around the \$266 million for us. It's valued at \$28 billion. This 1% investment to protect those investments is actually not appropriate.

Ms. Krista Wylie: It's not. It's not recognized in industry. In any industry, they would recommend a higher percentage of the value of your assets be allocated yearly to take care of them.

Ms. Catherine Fife: And I think one of the final points is that your recommendations—Fix Our Schools has done a very good job, I think, of addressing the physical infrastructure of our schools. That's one thing. The accessibility, though, of our schools has recently gained a lot of media attention, because we have students who are going to our schools who can't play on the playground equipment, who can't go into some classrooms, who can't access some bathrooms. Having the AODA standards doesn't guarantee accessibility, obviously. Do you want to comment on the accessibility of our schools, please?

Ms. Krista Wylie: I would love to. My daughter is actually going in for surgery next Wednesday that will have her on crutches for the rest of the school year. She's in grade 8, she's 13 years old, and her classrooms are predominantly—she switches between the third floor of a 100-year-old building where, as the temperature plummets, it will probably be 13 or 14 degrees, and then her other classrooms are on the main floor. There's no elevator and there's no accessibility to any child with any sort of physical special needs in that building, so she will be finishing her school year trying to figure out how to get up and down three flights of stairs.

Ms. Catherine Fife: Because your numbers, and I'm just trying to—

Ms. Krista Wylie: This \$15 billion does not even—it just talks about engineers going into the buildings and assessing what is wrong with them. It does not bring them to a level that I would hope, as Ontarians, we would want for our children. If that's—

Ms. Catherine Fife: That is very good, and also your personal story. Thank you for sharing your personal story as well.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. If you do have any further written submission you'd like to provide, you have until 5 p.m. on January 20.

Ms. Krista Wylie: And we send that to the Clerk? Thanks.

The Chair (Mr. Peter Z. Milczyn): We will recess until 2 p.m. this afternoon.

The committee recessed from 1013 to 1400.

The Chair (Mr. Peter Z. Milczyn): Good afternoon. I'm calling the meeting to order to resume our pre-budget consultations. Each witness will receive up to 10 minutes for their presentation, followed by five minutes of questioning from the committee. Are there any questions?

ONTARIO HOME BUILDERS' ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): I will call our first witness: the Ontario Home Builders' Association. Good afternoon, gentlemen. As you know, as you start your presentation, if you could please state your name for Hansard.

Mr. Joe Vaccaro: Thank you very much, Mr. Chair. My name is Joe Vaccaro. I serve as the chief executive officer of the Ontario Home Builders' Association. Joining me is Michael Collins-Williams. He's the director of policy for the OHBA. OHBA represents 4,000 member companies and is organized into a network of 30 local associations across Ontario, from Windsor to Ottawa, and from Thunder Bay to Niagara.

Last week, I had the privilege of addressing this committee with respect to Bill 70, the budget measures act, so it is great to come full circle and have the opportunity to look forward and provide our recommendations for the upcoming budget in 2017.

Last week, I shared with you our concerns regarding challenges to delivering new housing supply, which is not keeping up with demand and thus contributing to increased housing prices. I also shared with you concerns with respect to the cumulative tax burden on new housing, which is also contributing to the ever-increasing cost of housing. I stated our support for the doubling of the maximum land transfer tax rebate for first-time homebuyers, which OHBA views as a positive indication that this government is interested in addressing the affordability of market housing, which represents about 95% of the new units delivered on an annual basis in Ontario.

Let me start by making it clear that bringing more housing supply to support Ontario's growing population and economy is not an attack on the greenbelt. OHBA supports the greenbelt, and we support growing the greenbelt through a science-based approach that protects significant environmental features. To this point, OHBA supported the creation of the greenbelt's urban river valley designation in 2013 and, through a press release with Environmental Defence, celebrated this new designation, which would give municipalities the opportunity to connect publicly owned and protected urban river valleys to the greenbelt.

OHBA's comments and concerns about new housing supply are focused on the where, what and when of the planning approvals process. Homebuilders across Ontario can only bring new housing supply to the market where,

what and when they are granted approvals. It should be understood that new housing supply across Ontario, not just in the GTA, continues to face new barriers and challenges.

Whether it is ratepayer or council opposition to new condos or townhouses in Toronto, or a lack of water and waste water capacity in York and Halton region to support approved communities, or the process and cost to remediate brownfields in Brantford and Waterloo region, or delays in selecting new GO stations or increasing GO service across the GTA, all these examples, and many more, create delays in getting much-needed housing supply to Ontario's growing population.

That brings me to our first recommendation for the standing committee and this government to consider. In an environment of rapidly increasing housing prices, challenges in delivering housing supply, increasing development charges and other fees and the ever-changing planning approvals framework at the municipal and provincial level, OHBA believes it is time that the government take a complete assessment of the housing system and strike a panel to carefully consider all the data regarding housing supply and housing affordability.

In the last several months, the federal and provincial governments, along with the cities of Toronto and Vancouver, have discussed the issue of housing affordability but have yet to have impacted and informed stakeholders, such as the OHBA, directly present data and information that should help inform solutions for the government to consider in improving housing affordability.

OHBA believes that there is incredible value in reviewing and understanding the evidence and data into what is driving housing prices, as they are increasingly not aligned with what individuals and families can afford in many communities.

We are having real challenges in many communities across Ontario in delivering housing supply. There are public policy barriers that are stretching out the approvals process for both housing and for critical infrastructure. These issues aren't limited to the 905, 519, 705 or 613 developments. We are also challenged on the infill and intensification side of the equation. Over the last number of years, we've seen people camped out overnight in lineups for sales offices for new homes in a multitude of communities, from low-rise communities in Hamilton, Oakville, Thornhill and Oshawa to high-rise communities in Toronto, Markham and Burlington. This is not a sign of a healthy marketplace; this is a sign of a marketplace in which demand exceeds the ability for our industry to deliver the supply of housing needed to meet Ontario's growing population and employment.

In fact, new housing inventories in the GTA for low-rise are at an all-time low, and for high-rise, we are going to set a sales record this year at the same time as inventories have plummeted. This supply crunch is leading to rapidly increasing prices, and these prices are not just a Toronto problem. The 905 has had year-over-year price increases higher than in the 416, and the supply issues are also happening in the 519, 705 and 613.

As OHBA has stated in the past, new housing supply can only come to the market where the development approval permits, what the built form for approvals permits and when the government infrastructure is approved and provided. The where, what and when of housing supply is governed by government approvals.

Housing prices are influenced by a number of factors. It should be clearly understood that the government policy framework around the where, what and when of new housing supply is shaping the marketplace, and home prices reflect the ability to bring new housing supply and housing options to that market.

A government of Ontario panel demanding data, information and evidence to better understand the housing supply challenges and why housing prices are escalating can then identify solutions that could actually improve housing affordability. It is clear that in the current market environment the new home prices will continue to go up, and that bringing new communities online will continue to be delayed by new planning rules, changes to the OMB and new taxes being implemented through Bill 73. Those delays and policies can only lead to higher prices.

We need a government of Ontario panel if we want to improve the current market housing supply and respond to the current affordability challenges.

I'd like to turn it over to Mike to speak specifically about two other recommendations for the budget.

Mr. Michael Collins-Williams: Thanks, Joe.

Back in 2009, OHBA recognized that a shift to the harmonized sales tax would have benefits to the broader economy, and specifically manufacturing, but we were also very clear that harmonization would have significant taxation impacts impacting new homebuyers.

Essentially, the old PST at 8% only applied to materials. It did not apply to the labour, taxation or land component of a new home. This contrasted with the HST, which is applied to the full and final sales price. Materials typically account for about a quarter of the final price of a new home. Thus, an 8% PST on 25% of the new home represented a 2% tax on the final home price. That's why we worked so closely with the Ministry of Finance on the structure of the new home rebate for the HST to essentially be revenue-neutral for the government and the vast majority of new homes in Ontario.

The structure of the HST for new housing effectively meant that the HST is charged at a rate of 2% on the value of a new home up to a \$400,000 threshold, which was established in 2009, and the full 8% on the value over \$400,000. We supported this structure as being fair, since most new homes in Ontario in 2009 were valued under \$400,000 when the HST was brought in, and the tax increase only really applied to new homes over \$400,000.

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A lot has changed since 2009. Back then, about three quarters of new homes in Ontario were under \$400,000. According to CMHC, the average price of a new home has increased by 55% since then, meaning that the HST

has brought in billions in additional revenue from the new-housing sector since 2009.

With each passing year that new home prices increase and the HST new-housing threshold remains static at \$400,000, it is essentially a tax increase, as fewer buyers fall under the threshold and more buyers face a higher tax burden.

We are not here today asking for drastic measures. We're simply requesting that the government review the \$400,000 threshold to determine if it is still an appropriate number, given the changes that have occurred in the housing market since 2009.

Let me quickly change gears and draw your attention to the professional renovation sector.

You may be surprised to learn that the renovation sector actually exceeds the new housing sector in terms of jobs, wages generated and investment value. Renovations add up to a staggering \$27 billion in investment value, generating over \$10 billion in wages and supporting nearly 175,000 jobs last year. That's a lot of renovation work.

Unfortunately, there's a darker side to the renovation sector. A substantial amount of work is happening in the underground economy. Underground cash operators pose a risk to government, to legitimate businesses and, most importantly, to consumers. They don't pay WSIB premiums, EI, GST or HST, and they aren't likely filing income or corporate tax returns.

OHBA believes that it's time for serious action to combat underground economy cash renovations, which is why we recommend that the province take a very serious look at a consumer-focused home renovation tax credit. This type of program would incent good behaviour by offering a tax credit to those that collect receipts from legitimate businesses and submit those receipts to the CRA.

We also believe that a well-structured renovation tax credit could in fact bring in additional tax revenues that are currently leaking to the underground.

I think that through the climate change action plan, there's a real opportunity to link that tax credit directly to the province's objectives with respect to energy efficiency and greenhouse gas emission reductions.

Residential buildings across Ontario generate a lot of greenhouse gas emissions—in fact, 10.9% of the provincial total—and we have 4.8 million existing homes in Ontario, many of which are 50, 60 or 70 years old, from an era in which there were no building codes, meaning there are hundreds of thousands of homes in Ontario that literally don't have any insulation. This is where a huge opportunity lies that can be tied to our proposal for a home renovation tax credit.

I'd like to quote the David Crombie panel report: "The Ontario building code is another important factor. When the energy efficiency requirements in the 2012 building code come into effect on January 1, 2017, houses constructed after that point will consume only 40% of the energy they would have used in 2005."

The Chair (Mr. Peter Z. Milczyn): Thank you. I have to stop you there. It has been 10 minutes.

We will now have five minutes of questions from the government side: Mr. Rinaldi.

Mr. Lou Rinaldi: Thank you, Joe and Michael, for being here. You're a permanent fixture at Queen's Park. You probably have a parking spot as well. You should have, if you don't. Anyway, thank you for being here and sharing your thoughts.

A couple of questions, if we have the time.

You know the commitment that we made to build transit, roads and bridges and those kinds of things. You also know—and I know you were part of it—of the coordinated review. Some of the outcomes of the coordinated review—the government intends to push growth along public transit corridors, for obvious reasons. The investments are huge, and the more people who can use them, the better off we are.

Do you have any sense of how that direction affects your members when it comes to increasing productivity and building more homes? What kind of impact does that have within your organization?

Mr. Joe Vaccaro: Sure. We are very supportive of the infrastructure investments being made, and we're very supportive of a piece of legislation that has not been activated yet: the transportation provincial policy statement. This would provide the provincial government with the opportunity to help direct development in those transit corridors.

Our view is that those are the right places to put density intensification, as they're supported by a transportation network. That enables the province to actually build ridership on the line, to make it more cost-efficient.

The challenge we have, as we've seen in numerous situations, is that even in cases where a development application comes forward that is connected to transportation, we still have the struggle, if I could put it that way, of getting that approval. Sometimes it can simply be a question of local councillors uncomfortable with the height and density of the project reflecting on what their constituents feel is inappropriate, even though it is supported by our transportation system.

From a housing supply perspective, it makes sense to put housing supply on those transit lines, absolutely, and it makes sense to put density and densification there, absolutely. But we are still struggling with barriers to get those approvals and still struggling to ultimately bring those opportunities to the marketplace.

Mr. Michael Collins-Williams: I'll just add to that that I live near Danforth and Pape, on the Bloor-Danforth line. That line opened up 50 years ago this summer, yet the Danforth is still lined with two- and three-storey buildings. We're certainly not advocating for towers to be built in existing neighbourhoods, but we do have a situation in which much of the zoning in Toronto and in other municipalities where transit is being built is not years but literally decades out of date.

The province is doing a very good job in investing significantly in higher-order transit, but we need to link the transportation planning with land use planning. Waterloo is a good example of that. The ION LRT is

going in, and what Kitchener has done is that they are doing some pre-zoning along the ION LRT. Even in downtown Kitchener, they've eliminated development charges on a temporary basis to encourage development and encourage density exactly along the transit lines. We think that's something that has merit.

Mr. Lou Rinaldi: Hopefully more communities will take that example on.

Just to switch gears a little bit—and I know you touched on it. In the fall economic statement—actually, part of Bill 70, which just got royal assent today—one of the commitments we made is for first-time homebuyers, to double the tax rebate. What do you think that will do to your members in the move forward? What kind of impact do you think that will have?

Mr. Joe Vaccaro: We are openly supportive of it, obviously. We believe that it's helpful, obviously, in terms of helping people who are already in the market to access some additional money to help close their deals, and we are supportive of the fact that the government is indicating some interest in understanding the housing market and what it needs.

But we believe more needs to be done, obviously. Reviewing the rebates, reviewing the HST rebate level, is an important step, I think, in terms of where we are in today's marketplace, with new house prices going up by 50% plus. That's an important step.

I would also say, going back to our first recommendation, that understanding the housing supply challenges, understanding the ability to bring housing supply to the market in areas where we do want development to happen and how they have to be supported and brought forward—we live in an era where we really want to see things happen, where we think things need to happen. When a housing development is delayed, whether it's a townhouse development or a condominium development, by delaying that housing supply, whatever is available on the market gets priced accordingly.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Vaccaro. That's our five minutes. If you have any written submissions you'd like to provide us, you have until 5 p.m. on January 20.

Mr. Joe Vaccaro: Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Merry Christmas. All the best to you.

Mr. Joe Vaccaro: Merry Christmas, and happy holidays.

Mr. Michael Collins-Williams: Thank you.

ONTARIO MEDICAL ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our next witness is with the Ontario Medical Association. Good afternoon. You have up to 10 minutes for your presentation, following which there will be five minutes of questions from the official opposition. As you begin your presentation, if you could please state your name for Hansard.

Dr. Virginia Walley: Sure. On behalf of the Ontario Medical Association, thank you for this opportunity to

provide input to your pre-budget consultation. I'm Virginia Walley. I'm a laboratory physician working in Toronto and I am the president of the OMA. I'm joined by my colleague Dr. Jasmin Kantarevic. He is a PhD economist who works with the OMA.

It's no secret that Ontario's doctors are concerned about the direction the government is taking in its redesign of our health care system. Each and every day, Ontario's almost 30,000 practising physicians go to work because the job of looking after patients and their health is our number one concern. But we worry that the health care system is not keeping pace. We know that high-performing health care systems are built in collaboration with physicians, and right now we do not have a government that's willing to partner with doctors. So on behalf of Ontario's doctors, I am here to call on the government of Ontario to properly support our health care system by fully funding the demand for health care in this province and according to the needs of our growing and aging population.

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Since our contract with the government expired in 2014, the government has unilaterally cut by nearly 7% payments to physicians for the care that patients require. Yet the Financial Accountability Officer of Ontario, in his 2016 spring fiscal and economic outlook report released data on health care system demand that shows it is projected to rise at 3.6% for each of the next four years. When you do the math, those two trends just fundamentally are inconsistent with quality care. Ontario is now home to almost 800,000 patients who are without a family doctor. That represents nearly 6% of the population of the province. We have to call that what it is: unacceptable.

The government has set funding for physician services at only 1.25%, less than half of what's required. This is below the already restrained pace of growth of the past five years. We believe that the government's actions in not fully funding the demand for medical care in Ontario have serious implications for our patients and their families. We also believe that these actions are going to have a lasting impact on the long-term sustainability of the system. This should not be news to this committee. Just last year, physicians appeared here before you to illustrate the problem.

Let me tell you how that manifests in my own work. I, for instance, examine biopsies of diseased tissue for cancer. I help my clinical colleagues decide whether patients do or do not have cancer and, if cancer is present, what it is and how severe it is. I also help my colleagues decide on how to treat that cancer.

In this work, I see the stresses on the health care system. When I diagnose cancer, the patient has to be treated. My clinical colleagues can't just say, "No, the unilateral health care cuts the government has made mean you can't have that treatment." My colleagues go ahead and provide the care and treatment needed, even if the government is no longer funding all of that care. But that trend is just not sustainable.

In the longer term, we need a health care system that recognizes that one of the building blocks of a healthy economy is a healthy population. The fact is, Ontario's population is growing and it's aging. In 2016, there are now more seniors than children 14 years and younger. Today, one in five adults is spending time caring for a parent or a grandparent. By 2026, there will be eight million seniors, who will represent more than 20% of our population. That's the current size of the population of Quebec. By 2036, we'll reach the highest demand level for care, with baby boomers closing in on an average age of 75 years. In 2052, almost 10 million Canadians 65 and older will represent about 25% of the population. That's equivalent to the current population of Portugal or Greece. This is not the time for the government to decide to fund less than half of the growing medical needs of patients. Now is the time to be investing in the system to help the patients of today and tomorrow.

By the Ministry of Health's own estimates, demand for medical care is growing by 3% per year due to population growth, an aging population and the need for new doctors to treat existing patients who currently can't access timely care, yet the government is only willing to fund a portion of this growth. This is necessary care that every patient in our aging and growing population requires and deserves.

Ontario has fewer hospital beds, we have fewer nurses and we have fewer physicians per population than other jurisdictions. Having fewer doctors means that the ones we do have are working harder and seeing more patients to meet the demands of our growing and aging population. Instead of recognizing that service, this government has penalized physicians.

We do understand and acknowledge the economic challenges facing the government. I'll remind the committee that in 2012, the government unilaterally cut physician fees and doctors accepted a 5% cut, resulting in \$850 million of savings in the system. We accepted that cut because we knew we could partner and make changes in the system that would have minimal impact on patients.

Now the government is further cutting the necessary growth and funding for physician services, and it's doing this unilaterally and without regard for the impact on patients. That is just not sustainable. It's unrealistic if we want the best care for patients and if we want the best doctors in Ontario. This behaviour represents a race to the bottom.

Now the government says they offered physicians 2.5% in the last tabled agreement and it can't understand why physicians overwhelmingly rejected it. Our members thought it was irresponsible to do so. They knew that because of previous cuts—the cuts that I mentioned just a few moments ago—that offer would not restore the system to even where it was five years ago. The government's offer was a step in the wrong direction. It was insulting to patients and certainly to physicians.

The government keeps taking resources away and then presents 2.5% growth as a win, when this doesn't even

match the government's own estimates of growth, let alone begin to address years of government underfunding.

At the same time, and of big concern to us, the government is spending money on new bureaucracy at the LHIN level and through the new sub-LHINs created by Bill 41, creating more red tape for doctors. Even in a world where we had unlimited funds, it's unclear to us why Ontario needs this ever-growing bureaucracy. When the government is cutting funding for front-line care, this bureaucratic growth is simply unacceptable.

More red tape for doctors simply adds to the burden of the health care system in Ontario. Doctors right now spend, on average, about 12 hours a week in non-clinical patient care filling out forms and trying to help patients navigate our overly complicated health care system. That's why we urged all legislators to defeat Bill 41.

While the government unilaterally imposes their cuts on physicians, doctors will continue to do whatever they can to limit the impacts of those cuts on patients. In the current situation, doctors really are serving as duct tape, holding the system together. They're working increasingly ever harder and longer on behalf of their patients, dealing with more red tape and trying to prevent patients from falling through cracks in the system. But we need to warn you, unilateral cuts by the government over the long term mean that there will eventually be negative impacts on patients.

Our message is clear, I hope: We want the government of Ontario to fully fund the increasing demand for medical care in Ontario so that the needs of our growing and aging population are properly funded. It's our sincere hope that the government will, in the upcoming budget, begin to reverse the trends that I've described today, and that the government will commit to restoring that important relationship with Ontario's doctors. It's time for the government of Ontario to truly put patients first and to adequately fund the growth in the health care system.

Of course, the decisions that Ontario makes today will impact patient care for many years to come. Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you, Dr. Walley—right on 10 minutes.

Mr. Barrett, you have up to five minutes.

Mr. Toby Barrett: The horse is out of the barn on Bill 41. We voted against that one. But we go into the stage now of yet another reorganization. We saw that film before in the 1980s with the district health council system. I was involved in that system, and it didn't really achieve the goals of coordination. One of the goals here is integration.

We're starting at a base, now, of 39% of expenditures goes to bureaucracy. You're suggesting the new sub-LHINs and LHINs would probably enhance that. We see in the Ministry of Health itself, they have 18 assistant deputy ministers. I'm not aware of any restructuring or reorganization at the ministry level itself, at the top.

This is going forward. What advice do you have to try to head off some of this at the pass? I feel the minister is

trying to do his best with this most recent reorganization, but what can we do best to funnel the massive amount of resources in the ministry through people like you and our hospitals to patients?

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Dr. Virginia Walley: I think the long and the short of it is that we need to get back to the table. We need to negotiate an agreement. We need to return to partnering the way physicians have partnered with governments of the time in years past. We have a long history of working co-operatively with the government in power, making the changes that are appropriate for best patient care.

It does truly concern us, though, the weight of the bureaucracy in our system. As I understand it, we have, for instance, eight times as much administrative overhead, bureaucracy and bureaucrats administering the system as Germany does with a similar size system. That's got to worry all of us, that those resources are being dedicated not to front-line care of patients but to overly complicated and bureaucratic oversight.

Mr. Toby Barrett: My colleague has a question as well.

Mr. Victor Fedeli: Thank you very much for your presentation. May I, Chair?

The Chair (Mr. Peter Z. Milczyn): Yes, Mr. Fedeli.

Mr. Victor Fedeli: You were talking about some seniors demographics. Do you have any more information than you just gave us? And if so, can you share that with our committee?

Dr. Virginia Walley: Absolutely, all kinds of projections provided by third parties. We'd be pleased to do so.

Mr. Victor Fedeli: We'll look for that information sort of hived out for us, if you don't mind. We're working on a white paper, basically, on demographics and the coming changes that will result from that.

What can you tell us about the red tape campaign?

Dr. Virginia Walley: Of all of the things that might readily be improved about our system in Ontario that in many respects don't involve more capital funding, more operating funding—if we could clear away some of the red tape that troubles physicians every day, and all health care workers, for that matter, we would go a long way to making our system more efficient.

I was at an event about 10 days ago now, and one of the physicians came in late to the meeting. He apologized; he had spent the entire day trying to get patients in his practice placed in long-term care in various facilities. He had worked all day on the phone trying to get his patients situated in the right place around the system. He told us that there was not a single bill that he was going to submit for that, there was not a single fee that any of that work would be—he spent the entire day just trying to help patients navigate around the system. It just should not be that hard.

Mr. Victor Fedeli: Do you think the creation of 70-odd sub-LHINs will come at the expense of front-line health care?

Dr. Virginia Walley: We certainly worry about that, of course. Where exactly will those resources come

from? I am sure there are administrators and bureaucrats of one type or another or support people—I can only imagine where the resources for those individuals are going to come from. They surely must have been front-line care prior to this.

The Chair (Mr. Peter Z. Milczyn): Thank you. That's the five minutes.

Thank you, Dr. Walley. If you do have written submissions you'd still like to provide us, you have until 5 p.m. on January 20.

Dr. Virginia Walley: Thank you very much.

ONTARIO HEALTH COALITION

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Ontario Health Coalition. Good afternoon. You have up to 10 minutes for your presentation, following which there will be five minutes of questions from the NDP. As you begin, if you could please state your name for the official record.

Ms. Natalie Mehra: Sure. It's Natalie Mehra. I'm the executive director of the Ontario Health Coalition. Thank you for having us provide testimony today for the Ontario budget.

I'm going to focus my comments mainly—and we will provide a written submission that looks more broadly at the different sectors in the health system. But just because of the time limitation, I'm going to focus my comments particularly on Ontario hospitals, on hospital funding, and what's happening across the province.

This summer, my mother, whom I brought today for the first time to the Legislature, had the experience of going to the emergency department at the Smiths Falls hospital after a nasty run-in while swimming with some razor-sharp zebra mussels. We arrived at 3 p.m. We saw the triage nurse after two hours, and we saw the doctor after 8:30 p.m., five and a half hours after arriving.

According to Ontario's Auditor General in her most recent report, we were lucky. In fact, the minority of patients visiting emergency departments are getting admitted into hospital beds, even ICUs, according to the government's targets. In fact, up to 90% of patients are waiting up to 27 hours for admission into ICUs, or up to 35 hours for admission into acute care beds, according to the Auditor General's report.

This year, there has finally been some movement on public hospital funding. Global funding increases for hospitals announced in the Ontario budget were less than 1% for hospitals across the board. This is far below the consumer rate of inflation, which is reported at 2.1%, according to Statistics Canada, from October 2015 to October 2016. This follows four consecutive years of zero per cent funding increases, and it's the ninth year in a row of real-dollar hospital cuts, meaning that hospital global funding levels have not matched the rate of inflation—just even the rate of inflation—for almost a decade now in Ontario, the longest period of hospital cuts that we have seen in modern history in this province.

Despite all government claims that make it look like all hospitals were receiving a 2% increase this year, the

fact is that only a minority of hospitals, usually the larger hospitals, those in high-growth areas and with the most highly specialized services, got the 2.1% funding increase in this year's budget. Even so, for those hospitals, that rate is not enough to meet their population growth and inflationary costs.

So at the same time as implementing a decade of real-dollar funding cuts, Ontario's government has changed the hospital funding formula, moving away from global budgets to particular envelopes of money that benefit particular populations, at the cost of the rest of the population. The funding formula changes have forced the dismantling of community hospitals as we know them, forcing specialization and centralization of care into fewer locations, with patients forced to travel further for services.

In the economic statement this fall, the government announced an additional \$140 million for public hospitals. According to the government, this increases hospital funding to 3% this year; however, closer scrutiny reveals that only a minority of the hospitals will receive the 3% of funding. Most of the hospitals will get 2%, matching only the inflation rate for this year. The bottom line is that, after a decade of real-dollar funding cuts for Ontario hospitals, at the end of this year, including the fall financial statement announcement of new dollars, hospitals now will receive funding for this year only at the rate of inflation. That does not include population growth or aging.

So while we're extremely pleased—and I don't want to understate that—to see the government moving away from the real-dollar funding cuts for hospitals, we are concerned still that there remains no plan to fund Ontario's hospitals to meet population need for services. The actual levels that are needed are laid out by the Financial Accountability Office of Ontario, which calculated that to meet inflation, aging of population and growth, health spending requires a 5.2% inflator. That's from the spring 2016 report. Given the losses over the last decade and the deep hole that many local hospitals find themselves in, Ontario needs a real plan to restore financial stability and reasonable and safe levels of service in our public hospitals.

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We have come before this committee every year for almost a decade now to bring evidence of the consequences of the hospital cuts across the province. We have tracked those cuts. Interestingly, the Ministry of Health in Ontario does not track the cuts that are a result of the government's fiscal policy in this province. Interestingly, the government of Ontario does not require that hospitals reduce their levels of occupancy to safe levels of occupancy.

Even according to the Auditor General's report that was recently released, the majority of Ontario's large hospitals are running at levels of over-capacity, overcrowding, that are unsafe. In fact, what the Auditor General found was shocking. She described a situation in which their audit team found hospitals with patients

waiting on stretchers or gurneys for beds. Bed occupancy rates higher than the safe level of 85% are contributing to the likelihood of infection. Sepsis rates in Ontario, which is a potentially deadly infection, in 2015 were the second-highest in Canada, following only the Yukon.

She found that in the 90th percentile of patients, the wait time was 23 hours, not eight hours, for transfer to ICU beds, and 37 hours for transfer to other acute care wards. This is because hospitals have cut so many beds that there are no beds available to admit patients into, and the emergency departments are backlogged. She found that the underfunding of hospitals was resulting in frequent "unplanned operating room closures." Forty-five per cent of large hospitals have one or more ORs closed due to funding constraints.

Wait-lists for elective surgeries have shown no improvement in the last five years, she found. Fifty-eight per cent of hospitals ran out of money for some types of surgeries and had to defer them to the next fiscal year last year. Patients with traumatic brain injury and acute appendicitis were waiting more than 20 hours—could you imagine the pain of acute appendicitis?—in emergency departments for emergency surgeries.

The surgeries that are not being done to meet the wait times for the very most urgent patients, according to Ontario's Auditor General: neurosurgery, oral and dental, thoracic, vascular, orthopedic, gynecologic, ophthalmic and cancer.

All of this is just to give the picture that Ontario's hospitals are in a crisis, that Ontario's government must plan—this requires a fiscal policy—to provide enough funding to meet population need for public hospital services in this province. It's not just a requirement for compassion; it's a requirement of the Canada Health Act that all provinces have an obligation to.

Moreover, our government must ensure that money actually goes to care. I echo the comments of our colleague Virginia Walley from the OMA earlier that there is a serious problem of money actually getting to care.

I wanted to highlight—but I think I'm going to run out of time—the extraordinary costs of restructuring in Ontario. The Ministry of Health does not measure or try to contain hospital overcrowding. It does not measure the cuts that are being incurred in hospitals all over the province. It does not measure restructuring costs that flow from its requirements that hospitals restructure services across the province. Basic planning functions to ensure that money actually makes it from the ministry into patient care are not happening today, and that has to be part of the plan to fund hospitals to meet population need.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Ms. Fife, you have up to five minutes.

Ms. Catherine Fife: Thank you, Natalie, for coming in. Sometimes I feel like it's Groundhog Day for you, except you do have new information today. You have new information from the Auditor General.

I don't know if you were watching question period this morning—specifically on the patients discharged

from Ontario hospitals with high incidence of sepsis—but, quoting from the Auditor General's report, we raised the issue of bed occupancy rates of 85% or higher contributing to the likelihood of infection while in hospitals during 2015-16. Sixty per cent of all medicine wards in Ontario's large community hospitals had occupancy rates higher than 85%. You referenced that.

The Minister of Health, this morning, expressed no concern over this. In fact, he called us out on dressing down the hospital system and the health care system in the province of Ontario. He called us out on using the stat as, just as you pointed out, saying that there's a crisis in health care.

Do you think that the people of this province understand how poorly run the health care system is? Because as an MPP, I hear versions of this every single day.

Ms. Natalie Mehra: Absolutely. I was disturbed to read the Auditor General's report. The ministry's response to what are clearly systemic indicators of real funding problems and real problems in capacity took no ownership and provided not one concrete measure to actually improve the situation. That's a problem.

I do believe that Ontarians are furious about the cuts to their local hospitals, about the amount of money that isn't going to care. They're our hospitals. People in Ontario believe that the hospitals belong to them. They've been fundraising for them for 100 years. To see them cut—

Ms. Catherine Fife: Yes, and it's interesting that you raise the fundraising point, Natalie, because I got a fundraising letter from Grand River Hospital. This is a call-out to the members of the community, asking for "\$30, \$50 or whatever amount you can," so that they can bring more emergency physicians to Grand River Hospital. This is the first time that I've seen a hospital fundraising for staff; they fundraise for special medical equipment or wings or a children's library. Have you ever heard of a hospital in the province of Ontario fundraising for an emergency room resident?

Ms. Natalie Mehra: No. That is a really dangerous, slippery slope. The idea of paying taxes is that we pool our money, according to our income, and provide services based on need. If richer communities are able to out-fund smaller communities—this is already a problem for community doctors, but now for hospital doctors? I think (1) it would be hugely inflationary, and (2) it will just exacerbate inequities.

Ms. Catherine Fife: I did raise this with the minister. He said that Grand River is doing a great job. But you're addressing the very issues of equity and inclusivity, really, which will undermine a universal health care system.

Just to connect with the previous presentation, when you hear that 39% of funding that's going into health care is now going towards administration and bureaucracy—and now, even, they're doubling down on bureaucracy. With Bill 41, they've opened the door for privatization to the LHINs. That door had been closed—not open to CCACs. But now, for LHINs, they can privatize and they can outsource in a very aggressive way.

Do you have any concerns about where the money is going? Since 2004, it was \$11.3 billion for hospitals. They will point to the fact that there's \$17.4 billion, but it's where that money is going.

Ms. Natalie Mehra: But in fairness, Ontario's hospitals are funded at the lowest rate per capita of any province in the country. So just to give large numbers sounds large, but on a per person basis, we have the lowest funding per capita. We're in the bottom third of funding as a percentage of GDP. We have the fewest hospital beds, the fewest nurses. By every reasonable measure, we're at the bottom of the country. So the funding levels are not too high by any means.

That said, obviously, there is a real concern that within hospitals, the executive salaries are too high, that too much time is going into bean counting that means nothing, that despite all the targets that are being set, most of them aren't being met. If you go through report after report of the Auditor General, the LHIN accountability agreements, the LHIN dashboards—there are literally thousands of reports that are generated that come across my desk, and in almost all of them, the majority of the targets aren't being met.

It raises the question: What use are these targets? The bottom line is, the hospitals aren't funded enough to meet those targets and the money isn't going to care.

Ms. Catherine Fife: I agree. Thank you, Natalie. And welcome to your mom.

The Chair (Mr. Peter Z. Milczyn): Thank you. That's the five minutes for questions and answers. If you have a further written submission you'd like to provide to us, you have until 5 p.m. on January 20.

WATERLOO REGION SUICIDE PREVENTION COUNCIL

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Waterloo Region Suicide Prevention Council. Good afternoon.

Ms. Tana Nash: Good afternoon.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, following which there will be five minutes of questions from the government side. As you begin, if you could please state your name for the official record.

Ms. Tana Nash: Good afternoon. Thank you for the opportunity to speak. My name is Tana Nash, and I have the honour of presenting here today on behalf of the Waterloo Region Suicide Prevention Council; our community; the developer of the group I'm going to speak about, Dr. Yvonne Bergmans; the many facilitators and folks passionate about this group, including the many suicide attempt survivors and individuals struggling with suicidal ideation who have benefited from this program.

1450

I'm going to share with you an important intervention for individuals with recurrent suicide attempts and suicidal ideation that is making a great impact both for individuals and the health care system. Although an adult

version of this program exists, I'm going to speak specifically about the recent pilot program that Waterloo region offered youth ages 14 to 16 while offering a concurrent parent group.

The Skills for Safer Living group strongly matches goal number 3 of Open Minds, Healthy Minds, Ontario's Comprehensive Mental Health and Addictions Strategy: to "identify mental health and addictions problems early and intervene." It is through early prevention and intervention work that we can make the most impact.

Additionally, the recent Auditor General's report identified that since 2008, the number of families who must resort to bringing their children to emergency rooms to get help for mental health problems has increased more than 50%. We know that only approximately one third of those who present in the hospital will actually get admitted, so where will they go for help?

Let me introduce you to the Skills for Safer Living program. Initially, it was developed as a 20-week psychosocial and psychoeducational group for individuals with recurrent suicide attempts. We now also provide these groups for individuals who haven't attempted suicide but are struggling. This program was developed right here in Toronto at St. Michael's Hospital, under the guidance of Dr. Yvonne Bergmans, and has been running since 1999 with great success, yet it is currently only available in four regions across this province: in Toronto, Waterloo region and Barrie, and Hamilton just developed and began their first group this year.

Waterloo Region Suicide Prevention Council advocated and secured funding for this group, which began over five years ago, and now has sustainable funding from our local LHIN for the adult group, and also a group specifically for post-secondary students. An ideation group for adults who have not attempted also runs, but it is financially supported by a local independent furniture store—that's right: a furniture store. Although he is a leader in our region for mental health and it speaks to involving the business sector in our efforts to advance mental health and addictions support, it also demonstrates the lack of funding for necessary programs.

With some seed funding from the Ministry of Child and Youth Services, we were able to pilot this group for ages 14 to 16, which also included some mature 13-year-olds and also included an accompanying parent group. This group, however, does not have sustainable funding, and it is my goal to find this funding for Waterloo region so that youth have access to this important group.

The focus of the group is on living, and it has five key goals:

- provide education and emotional support;
- decrease duration, intensity and frequency of crisis episodes;
- offer the opportunity to develop skills to live life more safely through crisis de-escalation, emotional literacy, problem-solving and relationship management;
- provide an opportunity to generate a sense of hope for living; and
- develop a language to communicate distress.

When I think about that last one and how important that is—if a youth presents in the ED with physical health problems but is unable to express what they are feeling, we have many diagnostic tools to ascertain what that issue is; we don't need the emotional language. But we know that there is no x-ray for mental health, so we need to help to improve and increase this language so that we can communicate distress.

The group uses a multitude of tools that really teach individuals how to keep safer and increase their emotional literacy, problem-solving and interpersonal relationships. They will learn key phrases which become mantras like, "A thought is just a thought. A thought can't kill you." I'm very passionate about this intervention because it teaches new coping strategies. We are not born with these strategies; we must learn them.

It works. In Waterloo region, in the adult group, we've had over 160 individuals go through this group, with an average number of suicide attempts of seven per person—that's seven per individual. The research shows us that the number one indicator of a suicide death is a suicide attempt. To date, we have not lost one of those 160 individuals to suicide. We know that one day we will, because we're dealing with a high-risk population, but that doesn't mean we don't do something about it.

I often think about this and liken it to the cardiac care system that we have in this province. This week marked the sixth anniversary of my husband's open-heart surgery. To me, the intervention was that they went in and replaced his heart valve. We gave him a new heart valve. But what did he get after that? He received 20 weeks of care and he received nutrition counselling, depression screening and 60 visits to supervised cardio care. Imagine if we could do this with mental health care. The intervention is, "I need help," but what tools are we providing them? Imagine if this program was offered to the 3,391 youth who present in Ontario emergency rooms each year with intentional self-harm.

In our pilot group, our youth provided comments such as these: "A thought won't kill you, feelings won't kill you, but behaviour could. That really stuck with me. It staid my mind. I think about it every time I am distressed: Hold on for another hour or two and I will feel better. Feelings will pass. This has probably saved my life a few times."

Or another youth: "My thoughts of suicide and self-harm are less frequent, more rare. When I have thoughts, they are not as heavy and last a shorter time. I am using strategies to deal with them."

Parents had comments like this: "I am aware that it is about feelings and not about acting out or attention-seeking."

A father said: "Before, I was very uncomfortable with the concept of suicidality and self-injury and how our son was dealing with it. Now I have a more complete understanding of the self-harm continuum. We see that it is a process that will have to be worked on. This is not a quick solution. There is no pill."

In Ontario, 86% of intentional injury deaths in 2010 were due to suicide and self-harm. More than half of all

direct health care costs for intentional injuries were focused on suicide or self-harm by poisoning such as drugs or alcohol, and it cost the province \$895 million. The estimated cost of just one suicide attempt ranges from \$33,000 to \$308,000. The aggregate cost of a suicidal death can range from \$433,000 to over \$4 million.

I want you to think about those numbers and now think about this: With this incredible program that I just told you about, the approximate cost to run this for one individual is just \$3,300—\$3,300; that's it. We know that what we're seeing is a reduction in repeats to the hospital. We just heard about the hospital and how tapped it is. It is a group that is making an impact in people's lives but it also fiscally makes sense.

I wore my T-shirt today. It's youth in our community in Waterloo region who developed these T-shirts: "My Life Matters."

I'd like to end by saying that my life matters, your life matters, but our youth's lives matter. The quote on the back that the youth picked out says: "Courage does not always roar; sometimes courage is the quiet voice at the end of the night saying 'I will try again tomorrow.'"

Let us give our youth an opportunity to try again tomorrow.

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. Nash. We have five minutes of questions from the government side: Mr. Rinaldi.

Mr. Lou Rinaldi: Thank you, Ms. Nash, for being here, first of all. Thank you for your passionate submission. Your passion shows. Thank you for what you do.

Ms. Tana Nash: Thank you.

Mr. Lou Rinaldi: Mental health has so many different faces. I'm not an expert; it's just what I experience from doing what I do through our constituency.

You would know, obviously, being involved as you are, that since 2003 there was over \$500 million invested—additional money—to deal with mental health, and it's not enough. I want to preface it by saying that. The primary focus, phase 1, of our strategy was to provide some 50,000 additional children and youth access to mental health services, like what you're trying to do.

Can you speak a little bit about some of the services available to you in your region that these additional funds—obviously you were successful in getting some funds to operate. Can you tell us what kind of impact that had in your community?

Ms. Tana Nash: Certainly we also have many organizations that offer youth mental health services, but what ends up happening is that the wait-lists are long to access services. With the Auditor General's report, unfortunately—because they can't access services, in crisis we see folks going to the emergency room.

1500

Yes, I know there is more money, but when we look at the percentages, only 7% of our health care dollars are allocated to mental health, and yet, if we look around the room, we can just do the numbers and know how many people in this room today are struggling with mental health issues, right? So the balance is out of whack still.

I love this program as well because we've built it into the community. Even though here in Toronto it was put in as a hospital group, in Waterloo region we took it out of the hospital and put it into the community so that we can get more people out of hospital and into community programs. Emotional care, when you think about it too—our hospital systems are set up for physical care. When you think about that physical care, it's fast-paced, it's loud and it's noisy. Emotional care is, "Can I get you a cup of tea and a blanket?" Our hospitals aren't set up that way. We need to get, I think, mental health out of the hospital and into community programs that can wrap you in care. Sometimes it's just about those caring community connections.

Unfortunately, I haven't seen as much of the impact as we would like to see from those dollars.

Mr. Lou Rinaldi: You would know better than I would, but from the little experience I have doing what I do each and every day, mental health has so many different faces. You would agree to that?

Ms. Tana Nash: For sure.

Mr. Lou Rinaldi: So how do we try to encapsulate that in trying to service more folks or how do we get that expertise out there? The other piece is that sometimes one of the things I find is that—I don't want to use the words, "It's too late," but how do we source folks with mental health?

I put my rural Ontario lens on, where folks are on a fifth concession, remotely located, and first of all, sometimes they're too proud to admit what they might have. How do we try to provide service to those folks, or how do we find these folks who are stuck somewhere? I think it's more prevalent in rural Ontario. That's just my thoughts, without any statistics behind it.

Ms. Tana Nash: You kind of asked me two questions in there. I'm going to go back to the earlier one because I think this was a really important question. I really think that this isn't just a health issue; this is a community issue. I can look to the whole province of Ontario and look at all the portfolios that the ministers have and the role that it can play, and I'm going to call it low-hanging fruit, low-cost solutions, to make impact.

For example, in the Ministry of Sport, in this country you need to have CPR and first aid if you want to be a level 1 coach. Well, why don't we have mental health first aid and suicide prevention as mandated? Those are things that individuals must pay for.

I think about the workplace. We look at the work that we've done with health and safety. It really was focused on safety to help reduce physical injuries, but imagine if we all had to do some kind of module on stress. What does stress look like? What does that look like? So many people in our workplaces must be, again, mandated in first aid and CPR, but do you know what? We're a brain-based economy now. Our work comes from here up, and we're not doing checkups from the neck up.

If you looked at every single ministerial portfolio and think about the role we could play, just even in training and increased education so we could help people have

conversations—look what happened with first aid and CPR. We taught it in the workplace; the majority of folks use it at home with their loved ones. So if we actually taught people—

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. Nash. That's all of our time today. It's never enough.

Ms. Tana Nash: No, it's never enough. I could go on and on.

The Chair (Mr. Peter Z. Milczyn): If you have further written submissions, you have until 5 p.m. on January 20.

Ms. Tana Nash: You already have them.

The Chair (Mr. Peter Z. Milczyn): Thank you very much.

Ms. Tana Nash: Thank you.

ONTARIO ORAL HEALTH ALLIANCE

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Ontario Oral Health Alliance. You have up to 10 minutes for your presentation, following which there will be five minutes of questions from the official opposition. Before you begin, if you could state your name for the official record.

Before you do that, I note for members that the House debate collapsed, and proceedings are suspended until 3:20. The Clerk will advise if and when any votes are coming up, and then we would recess briefly to allow people to participate in any votes.

Sorry about that. Please begin.

Ms. Jacquie Maund: Good afternoon. My name is Jacquie Maund. I work at the Association of Ontario Health Centres. I'm going to speak to you about a health issue as well: access to oral health.

Our members include 107 community health centres, aboriginal health access centres and others around the province that have a particular mandate to serve people who have barriers accessing health care. Many of these are low-income people. They can't necessarily afford to see a dentist.

As health providers, our members see first-hand the impact that that has on people. They know that when they cannot take care of their oral health, they're at greater risk of diabetes, pneumonia, cardiovascular disease or respiratory disease. Some 22 of our member health centres actually do have dental clinics, so they also see the benefits when people can access oral health care.

On the front of our presentation we've included a picture of a woman in Kingston who, through an inherited gum disease, was losing her teeth. She was having great difficulty supporting her family and was not able to get a job in the retail sector, but she became connected to the Kingston Community Health Centres, and, through an arrangement with a local dentist, she was able to get her teeth fixed. She is now working and able to support her family.

This woman, Chantal Robinson, is someone who fell through the gaps in Ontario's very fragmented patchwork of public dental programs. We have nothing in Ontario—

no public dental programs—for low-income adults and seniors. We have some programs for people on social assistance which are not adequate—I won't go into that—and we also have a program called Healthy Smiles Ontario for children in very low-income families, but we have nothing for adults and seniors.

We looked at some research done by the College of Dental Hygienists of Ontario which showed that in fact there are an estimated two to three million people in Ontario—children and adults—who have not visited a dentist's office in the past year. The main barrier is cost.

We then looked at some further data to see where these people go when they're in dental pain or they have abscesses. Where do they go if they can't afford to see the dentist? We found that many of them are going to hospital emergency rooms. In fact, every year there are about 61,000 visits to hospital emergency rooms because of dental pain and abscess. That's the equivalent of every nine minutes. So in the time it takes me to give this presentation, one person around the province will have gone to a hospital emergency room for a dental emergency. They are also going to doctors' offices. There are about 218,000 visits per year to doctors' offices for oral health problems. In both of these cases, they cannot receive treatment; there are not dentists there to deal with dental issues.

We estimated the cost of these visits to our health care system. We estimate that at least \$38 million is being spent every year in the health care system for physicians to tell their patients that they have an oral health problem that they cannot treat.

We were heartened in the 2014 budget—speaking now on behalf of the Ontario Oral Health Alliance, of which we are an active member. The 2014 budget promised that the Ontario government would extend public dental programs to low-income adults by 2025, but we have not seen any progress on that promise. People in pain cannot wait another nine years to have their teeth and gums addressed.

There have been some positive developments in the South East Local Health Integration Network, where the LHIN in that area—the Smiths Falls, Belleville and Kingston area—has provided some funding to five community health centres that do have dental suites, to allow them to see low-income adults and seniors.

I've included some information from one of those sites, where they have tracked the impact of that money. They're seeing a 234% return on the investment from the LHIN. For every \$1 that the LHIN is investing in their program, they're seeing \$2.34 of savings in the health care system through people not going to the ER and through the provision of a cost-efficient service from a salaried dental professional versus the private fee-per-service dental system. So there are some very positive impacts in that community of Tweed and southern Ontario.

What we're asking for in this budget is a \$10-million investment in 2017 for the first phase of a broader provincial program that would provide access to oral

health for low-income adults and seniors. We're asking that those funds flow through to community health centres, aboriginal health access centres and public health units that have dental infrastructure. The government has already invested in public dental infrastructure; it's not being fully used. We're asking for \$10 million to begin a broader program that would ensure access for vulnerable adults and seniors who, in many other cases, are ending up in emergency rooms and in doctors' offices.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. We now have five minutes of questions from the official opposition. Mr. Barrett?

Mr. Toby Barrett: Just very quickly: I represent rural, small-town Ontario. We have dentists—not so much separate clinics. I don't think our public health unit has dental chairs in it. Is that the model you're looking at—to build a whole other system and hire dentists and put in dental equipment, separate from the small-town dentist?

1510

Ms. Jackie Maund: We're saying there should be a mixed model of care. The vast majority of dental infrastructure in the province is in the private sector. But we're saying, for low-income, vulnerable people, what the literature shows is that they are much more comfortable in public clinics, where they're valued, where they're respected. We know that many private dentists are frustrated dealing with people who are perhaps homeless, who have language barriers, who can't always make it to appointments because their lives are so complicated. They may not be able to afford transportation costs. So we're saying, for community health centres, aboriginal health access centres that are already serving many of these vulnerable people, providing health care, allow them to provide the dental care as part of the circle of care that they need. That's our expertise. Allow us to serve that population.

People who have access to dental insurance can use the private system, but for low-income people or people who have barriers accessing health care, the public dental clinics are set up to provide that wraparound care and supports that they need.

Mr. Toby Barrett: Are dentists refusing to treat these patients?

Ms. Jackie Maund: In many cases, yes. There are communities where private dentists are refusing to participate in public programs. In the Niagara area, in Port Colborne, there are no dentists who will accept patients on social assistance. In some communities, there are no dentists who will accept patients on Healthy Smiles Ontario. So one cannot rely solely on private dentists to deliver public dental programs. That's the other piece of the picture.

Mr. Toby Barrett: My colleague has a question.

The Chair (Mr. Peter Z. Milczyn): Mr. Fedeli.

Mr. Victor Fedeli: It's interesting to hear Mr. Barrett's approach that he takes from where he lives. And then I'm going to tell you about what we do in Nipissing, where I live, which will just point out the fact that there's

no consistency across the board. Maybe that's an area we should be looking at.

I recall when I sat on our health unit, we built a dental suite. We have a dentist. We have dental assistants who clean teeth. We have the full suite—it looks just like a dentist's facility—for the low-income and the vulnerable. That's the difference between your asking, "Are you wanting that?" and me saying, "We have that."

You talked about dentists refusing social assistance patients. I know that as I have travelled and talked to the dentists, they tell us their reason—I'm just repeating what they say—is that too many of them don't show up for their appointments, and they have a hole and their revenue doesn't pan out to be able to cover their expenses, which would be the further stretch of the story.

So maybe the one thing we should be looking at is some kind of consistency. I didn't know there was not that consistency. Are you aware that some have it and some don't?

Ms. Jackie Maund: Yes. There are not public dental suites all around the province. But what we're saying is, where there are dental suites—I speak in particular on behalf of the 22 community health centres and the aboriginal health access centres—let's make full use of those dental suites, as well as in the public health units, so that they can extend their services and see low-income adults and seniors.

Mr. Victor Fedeli: Wouldn't a good start be to see that all of the public health units are at the same level with dentistry? Would that be a good start?

Ms. Jackie Maund: Definitely.

Mr. Victor Fedeli: I honestly did not know that it wasn't like that.

Mr. Toby Barrett: Who pays for the service? I don't mean ODSP. Who pays the—

Ms. Jackie Maund: This would be a public program, so Healthy Smiles Ontario—

Mr. Toby Barrett: Oh, government money pays for it.

Ms. Jackie Maund: That's right. What I just indicated is, we're paying right now anyway. We're paying at least \$38 million through the health care system when people turn up at doctors' offices and ERs and they get absolutely no treatment. It's a waste of public money. Let's redirect some of that money and start to extend services to low-income people so that they get the care that they need to be, just like Chantal, active members of society, able to interact, able to get work and able to be healthy.

Mr. Victor Fedeli: Where can we find a list of which public health units provide this level of service and which have yet to achieve that? Is there such a thing as a list out there, and could you provide that for us?

Ms. Jackie Maund: We started to do that research this summer. It's not complete, but I'd be happy to connect back with you.

Mr. Victor Fedeli: We would need that, at the level that you're at, by January 20. Anything after that won't make the report. I would appreciate it.

Ms. Jacquie Maund: Okay. We'll talk to the public health association as well.

Mr. Victor Fedeli: Thank you.

The Chair (Mr. Peter Z. Milczyn): That's all of our time for today. Thank you.

As Mr. Fedeli did say, you have until 5 p.m. on January 20 to provide us with additional information.

CLASS 1 INC.

The Chair (Mr. Peter Z. Milczyn): Our next witness is Class 1 Inc.

Mr. Barry Hunt: Good afternoon, everyone. Barry Hunt from Class 1 Inc. It seems to be a Waterloo region day here. Two of your last three speakers are from Waterloo region. So am I and it's probably no surprise I'm here to talk to you about technology, a lot of it developed in Waterloo region, a lot of it here in Ontario, and technology applied to health care.

Hospital-acquired infections are the third leading cause of death in Canada and the number one preventable death in Canada, in Ontario and in much of the developed world. Canada has the worst record for hospital-acquired infections of all developed countries, and double the rate of the US. We also have, coincidentally, developed the most advanced technology to actually combat this problem. We could be world leaders in deploying new, innovative, Star Wars-type technology—developed here in Canada, much of it in Ontario, much of it in Waterloo region—to take us from dead last in developed countries to first place in the world, and to save both lives and valuable health care dollars in the process.

This year, 200,000 Canadians will develop an infection from the very hospital they go to for treatment; 8,000 to 10,000 will die. That's one preventable death in Canadian hospitals every single hour of every single day. Forty per cent of these patients are right here in Ontario. That's 76,000 infections and 3,800 preventable deaths every single year. We can't allow this to continue.

The estimated average cost for HAI treatment in Canada is \$20,000 per case. Here in Toronto and here in Ontario, it's \$38,000 to treat each case of C. diff. The total cost of treatment for hospital infections, from the hospital itself, here in Ontario, is roughly \$1.5 billion out of our health care system every year. Prevention through technology deployment will cost a mere fraction and could return more than \$1 billion annually to health care.

We're currently building new hospitals here in Ontario with single-patient rooms and private bathrooms, and when we do that, our infection rate is 45% lower. Unfortunately, most of the hospitals that we have here in the province have semis and wards and they have shared bathrooms. It would take 50 years and \$50 billion to replace the remaining 25,000 hospital beds in Ontario with single-patient rooms. We can't wait 50 years or spend \$50 billion, but we can deploy technology and we can get not just a 45% reduction but we can get an 80% or 85% reduction in our infections.

Today we're in a global race in technology, and infection prevention is no exception. In just three years,

1,000 US hospitals have already deployed 1,200 mobile UV disinfection units in their hospitals to disinfect rooms between patients. In Canada, we have 12. In Ontario, we have six. In Ontario, we need a minimum of 300 of these units across our 160 hospitals.

This year, the CDC and the American society of hospital engineers announced a three-year joint project across 200 US hospitals to engineer the elimination of air and water sources of disease transmission in hospitals. In Ontario, we already have this technology developed, but we don't have funding and we don't have a program to implement it. This same year, in June, the association of professionals in infection prevention called for the elimination of the environmental sources of disease transmission in hospitals—air, water and surfaces—within five years, using research, automation and technology. In Ontario, we have already developed the technology but we don't have the funding and the program to implement it.

This year, at the national college of health care leaders' annual conference in June, the Honourable Dr. Jane Philpott, federal Minister of Health, stated, "In Canada, innovation is strong but implementation is weak. Deploy innovation now." Again, in Ontario, we have the technology; we don't have the funding and the plan to implement it.

In April of this year, the Honourable Minister of Health, Dr. Eric Hoskins, reviewed engineered infection prevention technologies and indicated his support for this approach. The Ministry of Health and Long-Term Care capital equipment branch has received briefings. They are supportive of deploying this technology in new builds. Unfortunately, most of the hospitals in the province exist already and most have semis and wards and shared bathrooms. We have the technology. We need the funding and a plan to implement it.

Last year, I presented a budget proposal. Unfortunately, it didn't get reviewed in time for last year's budget. It's a competitive world; we've lost a year to other countries, now. We don't want them to catch up. We have a head start here with technology solutions. Other countries are struggling to find those solutions. The cat's now out of the bag. Engineered infection prevention that we started here in Ontario was just named a top 10 world patient safety innovation by the Patient Safety Movement. That's a California-based global initiative. We are already starting to ship engineered infection prevention solutions south of the border.

1520

There are about a dozen of these technologies; I'd just like to discuss three. Number one is the bathrooms in the hospitals. Infection rates are very high when you have shared bathrooms. We can eliminate that, essentially, by putting in technology that automatically disinfects bathrooms every time somebody goes in and out.

We have a hospital in BC, the Lions Gate Hospital, where they had 10 shared bathrooms supporting 120 patients. They took their C. diff cases from 13 to 15 a month down to one. Their annual savings is somewhere

between \$400,000 and \$5 million, depending on who does the accounting for the system. Their total investment was only \$25,000.

We have new CP-CRE pathogens coming from sink and shower drains. It's an exponential growth rate all across the world, and Ontario is no exception. We have six hospitals here in Ontario right now that are under outbreak of CP-CREs. Those are bathroom bugs that we can treat with technology.

We have mobile UV patient room disinfection. The 1,200 units that are deployed in the States take 45 minutes to an hour to disinfect a room. We have Canadian technology that would disinfect an entire patient room in five minutes, and we haven't deployed it at a very high level yet.

Our position is that every hospital needs to have at least one set of these machines, so that they can manage and control their own outbreaks and prevent outbreaks. They need to have at least one per 100 patients, so that they can disinfect patient rooms in between cases. Every person who comes into a hospital room deserves the opportunity to go into a disinfected room.

We have a new technology that's just being launched, and that's auto UV disinfection for a patient room, where a patient can push a button and literally disinfect her own room. That's a world first, a game-changing system. She can disinfect her own room five, 10 times a day if she would like. That's something we need to roll out. To maintain our global technology lead, we need to implement that in some key early adopter hospitals in Ontario.

I'm asking for six things of the budget committee:

- mobile UV disinfection for every single hospital, to manage their outbreaks;

- automatic UV bathroom disinfection for every single hospital in Ontario, every single bathroom;

- the early adopter rollout of patient-initiated room disinfection;

- support for CSA health care standards. Right now, you have to buy a CSA standard for \$100. It costs \$100 to process a purchase order. It makes no sense. CSA is limited in the number of standards they can produce. They want to produce two new infection prevention standards that would cover this category, but they need funding for it. We would like to make CSA standards universally accessible to all people in Ontario who work in health care, and we need funding for that;

- implementation trials for putting technologies together. We have Vancouver General Hospital participating in a large trial right now where they have essentially eliminated infections in the bone marrow transplant ward by combining all of these infection prevention technologies together—a 40% infection rate, down to zero, since August of last year;

- and finally, for new hospital builds, we would need to add about 1% to the capital cost of each hospital to build in all the technologies necessary to eliminate 80% of the routes of transmission of disease in the hospitals.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. We have up to five minutes of questions from the NDP. Ms. Fife.

Ms. Catherine Fife: Thank you very much, Mr. Hunt, for coming in. I really do appreciate it. I know that the member from Cambridge also has toured your facility, has she not?

Mr. Barry Hunt: Yes, she has.

Ms. Catherine Fife: As have I, and I know that we're going to get our health care critic there as well.

Last year, you did put in a very well-informed, evidence-based submission, which you have done again this year, so I want to thank you for that. You did have a conversation with the Minister of Health. This is becoming a political barrier, because the economic and the financial case is there for infection prevention, both on the hospital budgets but on the overall health care budget, right?

When the federal member says that innovation is strong but implementation is weak, is this the same problem that we have right here in Ontario? Can you comment on that, please?

Mr. Barry Hunt: It's the same across the country. It's not just Ontario. I've seen this in the 35 years I've been in health care. I have tried to bring innovation and technology into health care, both when I worked for a hospital and when I've been developing systems and products for health care. It typically takes 17 years from innovation to implementation in Canada, and that's generally the rule. We're trying to shrink that down. I would like to see these programs rolled out over the course of three years rather than waiting 17 years.

But I've watched the US pick up MRI and CAT scans and PET scans and dialysis etc., and we're always lagging a decade behind. We have developed the technology right here. I would like us to be the leaders in the field.

Ms. Catherine Fife: Sure. I do want to say that I think this latest Auditor General's report does give you some more ammunition in that regard. Ontario has fairly high infections in our hospitals due to overcrowding. Technology can play a role in preventing that.

The issue of investing in innovation and ensuring that it comes into play in Ontario remains a challenge, I think, for this government. I know that Life Sciences Ontario and OBIO—all of these organizations are really trying to get the government to embrace our own research and our own innovation.

What recommendations can this committee make to the Minister of Health to ensure that we at least start to address hospital-based infections?

Mr. Barry Hunt: Funding is the number one thing. I've watched the UK over the last 10 years provide 2.5% of funding for their base hospital budgets for specific government initiatives. Separating that out so that you actually have funding available for certain things, I think, makes all the difference in the world.

I have watched the MRSA and VRE rates in the UK drop almost 80% over 10 years because of that funding that's available. To implement any new technology, you need the funds there to do it. It needs to be a specific program, I believe.

Ms. Catherine Fife: Absolutely. Last year, your application came a little bit late to the budget committee. Today, you're in the first day, really, of our full day.

I hope that with a \$52-billion health care budget, which is not sustainable in the way that it's being implemented—I think that this is a smart investment. I want to thank you for coming all the way from Waterloo today and highlighting innovation and research in the province of Ontario, presenting it as a solution from a budgetary perspective but also from a quality-of-care perspective.

You mentioned that every infection costs \$38,000; is that right?

Mr. Barry Hunt: It's \$38,000 in Ontario for C. difficile infections, and that's the number one infection that we have to deal with.

Ms. Catherine Fife: What do you project as the overall savings if the province is proactive around implementing this technology in our hospitals? What do you foresee as possible savings?

Mr. Barry Hunt: The first two technologies that are listed there, mobile UV disinfection as well as automatic bathroom disinfection, should yield a return to health care of \$1 billion.

Ms. Catherine Fife: Of \$1 billion?

Mr. Barry Hunt: One billion dollars.

Ms. Catherine Fife: And your overall ask is?

Mr. Barry Hunt: It would be \$30 million over a three-year period for one category and \$40 million over a three-year period for the other.

Ms. Catherine Fife: Okay, so a total of \$70 million over a three-year period of time, with a return of \$1 billion.

Mr. Barry Hunt: Correct, \$1 billion.

Ms. Catherine Fife: Thank you very much for coming in. We need all the help that we can get in the province of Ontario.

Mr. Barry Hunt: Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Hunt. If there is anything additional you want to provide to us, you have until 5 p.m. on January 20.

FIRSTONTARIO CREDIT UNION

The Chair (Mr. Peter Z. Milczyn): Our next witness is FirstOntario Credit Union. Good afternoon, sir. You have up to 10 minutes for your presentation, followed by five minutes of questions, this round from the government side.

As you begin, if you could please state your name for the official record.

Mr. Kelly Harris: My name is Kelly Harris. I'm vice-president, corporate and public affairs, with FirstOntario Credit Union.

Good afternoon, and merry Christmas. I would like to start by thanking the members of the committee and you, Mr. Chair, for inviting FirstOntario Credit Union to be here today. I'll be filing a copy of my submission once I have the opportunity to hear your questions and respond to them.

This is my fifth such appearance before this committee. Some faces have changed and some are the same—

Mr. Lou Rinaldi: Some just got older.

Mr. Kelly Harris: Myself included.

What has not changed is the desire of credit unions in Ontario to work with the government and our community partners to create a more prosperous province, one that respects the needs of Ontarians and provides the services necessary to meet those needs.

FirstOntario's roots are steel. Born from credit unions representing Hamilton steelworkers and St. Catharines autoworkers, we now cover the Golden Horseshoe, Niagara region and southwestern Ontario, and we are growing. Through the leadership of our CEO, Kelly McGiffin, FirstOntario has grown from a struggling institution eight years ago to the fastest-growing large credit union in Canada, with more than \$4 billion in assets under administration. A big part of that growth is the direction of our senior leadership team and the hard work of staff at every level.

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Credit unions consistently perform as the top in customer service of all financial institutions in Canada, according to yearly Ipsos banking surveys. Of course, the people who use credit unions are not simply customers; they are members. They own the credit union. So we must act in ways that respect our members: We lend ethically, we invest ethically and we are ethical in how we treat our members and each other. That is why in 2016 the YWCA ranked FirstOntario the best place for women to work in Hamilton.

Another part of that growth is our work to establish, nurture and grow community partnerships. Those partnerships support the renaissance of the communities we serve. We are working to improve the economic lives in those communities—businesses and residents alike. People don't just want to live in a community; they want to live and experience all that the community has to offer. Whatever we can do to make the community stronger and a better place to live makes our credit union stronger.

We strive to be the catalyst to bring stronger community collaboration, whether through our partnerships in Hamilton with the FirstOntario Centre, the performing arts centre in St. Catharines or as partners in the Oakville Community Foundation's Vital Signs project, seeking ways to combat the root causes of poverty. FirstOntario is in the community, with every school breakfast our award-winning Blue Wave volunteer program serves, to every no-fee chequing account we sign up. FirstOntario understands that our success is directly tied to the community's success, not unlike the people in this room. So naturally, when communities we work and live in want to invest, they invest with us.

Sadly, barriers in legislation prevent that from happening. Many municipalities across Ontario require financial institutions they work with to have a bond rating. Having a bond rating would mean we invest in capital markets, meaning we send local money elsewhere, or overseas. Credit unions don't do that; we invest right

here at home. In fact, a Canadian Credit Union Association survey found that for every \$1 a credit union has to lend out of retained earnings, it's worth \$10 in full lending locally. That means that if a credit union has \$100 million in retained earnings to lend, they would have \$1 billion to invest in the local economy: mortgages, car loans, school loans, and loans to start up and grow businesses.

Who do we invest in primarily on the business side? Well, according to the Canadian federation of small business, we have been the preferred lenders to small business in Canada for nine years running. How does that help? Well, Industry Canada statistics show that 77% of all private sector jobs in Canada are created by small and medium-sized business. So instead of local taxpayer dollars being invested locally to help create jobs locally and invest in community programs locally, because of legislative barriers, those dollars are sent overseas.

The same is true for Ontario students wanting to use their Ontario student loans to go to an Ontario post-secondary institution and administer them at an Ontario-regulated financial institution, but they can't. Only chartered federal banks can administer Ontario student loans. Do you know that federally chartered banks hold 96% of Ontarians' deposits? Surely they don't need the government's help getting the next generation's money too.

I could give you several examples of how credit unions do not have a level playing field when it comes to competing in the financial services sector to get you on my side, but the important thing to tell you is that I don't have to because you already agree with me. In February at the FirstOntario Business Centre in Hamilton, Minister of Finance Charles Sousa accepted a report by then-parliamentary assistant Laura Albanese that included a desire to open up municipalities, universities, schools and hospitals—or MUSH—sector access to credit unions. All three parties have expressed support for the work Ms. Albanese did in producing a credit union report, also supported by credit unions. The Ontario government, during the fall economic update, announced a number of changes supported in Ms. Albanese's report.

We are grateful that that work is done and we look forward to increased deposit insurance to equal the North American average for credit unions to become law. We are also excited at the prospect of owning insurance brokerages—something already allowed in progressive credit union jurisdictions in western Canada.

Today I am asking this committee to include direction to open up the MUSH sector for credit unions. Remove barriers for our system—your system—to work with all community organizations. We are not asking you to give us the business. Credit unions will earn the business; we just want to be free to compete for it. It will be good for credit unions, good for Ontario and good for our communities.

Here is what it will cost: nothing. Not a dollar, not a dime—only the commitment needed to truly level the playing field for financial institutions in Ontario.

Thank you. I think I have some time for questions.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. This round of questions is the government side. Mr. Baker?

Mr. Yvan Baker: Thanks very much. It's good to see you again.

Mr. Kelly Harris: It's good to see you too.

Mr. Yvan Baker: You were referring to our colleague Laura Albanese. I remember Laura last year was one of those faces who was on this committee while she was working on that report. I used to sit right next to her, and she heard from me here and in other venues about credit unions quite a bit, because credit unions are something that my families have been members of over the years. Not yours, but in Etobicoke—

Mr. Kelly Harris: There's still time.

Mr. Yvan Baker: Yes. There's still time. What became very clear to my family and many in the community that I represent is how important credit unions are in providing an excellent level of service, which you referred to in your remarks, but also in giving back to the communities that they serve.

What I wanted to ask you about was, during the work that Ms. Albanese did, one of the recommendations was to increase the deposit insurance limit to \$250,000. You referred to that briefly during your remarks, but could you share with those who may not fully understand this why that is so important?

Mr. Kelly Harris: It's important because, while Ontario has the second-largest credit union system in Canada, we don't have the same sort of legislative and regulatory tools that they do in other jurisdictions. Throughout western Canada, it's unlimited deposit insurance for all classes of deposits. In Quebec, with the Desjardins Group, there are different levels of protection that people see. Federally, nobody believes that they're going to lose money if they put it into a bank. We have never lost any of our members' money in the credit union system. We don't intend to, either. Deposit insurance in the United States is \$250,000 across the states. In most Maritime jurisdictions, it's \$250,000. Even in PEI, it's \$135,000. In Ontario, it's \$100,000.

Two reasons: On the one hand, it's important to understand that the deposit insurance is not there because it's necessary; it's there because it helps give people comfort in investing in credit unions. And it's a statement by the government that you trust your financial institutions and that your financial institutions are safe. How many years have we heard the federal government talk about their banks? This statement by the Ontario government and the finance minister, Minister Sousa, is a statement of trust in Ontario credit unions. That's why it's important.

Mr. Yvan Baker: Thank you for that. You talked about the insurance brokerage business. You talked about a few changes that were in Ms. Albanese's report. That was one of them. Can you just talk about that? Broadly, what I'm asking is, on that specific topic and on anything else—and I've heard you on the MUSH sector piece, so your message on that is loud and clear, but I'm just trying to go back to Ms. Albanese's report. Just identify what the impact of that will be on credit unions.

Mr. Kelly Harris: Well, once it's fully rolled out and her recommendations in that report that were accepted by the Minister of Finance are fully implemented, it will have a massive effect on credit unions in Ontario. It will be a modernization of the industry. It will give us avenues to explore to attract capital.

It's very simple: We run on capital that we attract. We have to bring that in through different ways. One of them is through deposits. That's the traditional way. There are other things that we do, whether it's securitization of mortgages through CMHC-backed securitization programs open to any financial institution in Canada.

Also, it's diversified business: the ability to own different types of businesses, like insurance brokerages, in order to attract more capital. Any money that we bring in, any money that we make off of those, equates to retained earnings. For every dollar of retained earnings we have to lend, it's worth \$10 of actual lending in the communities. And there's a multiplier effect, again. Because we only lend in our communities, jobs are created in our communities. Taxes are paid in our communities. More jobs are created in our communities from that.

That is why the changes in the work that Ms. Albanese did—why we were so thankful for the work and commended her and the Minister of Finance numerous times on the work they did on the report. But the key thing is implementation. One of the things that we need to do is level the playing field and start the work that needs to be done. It's not going to be easy work, but it needs to be done sooner rather than later.

The Chair (Mr. Peter Z. Milczyn): Thank you, sir. That's the five minutes we have for questions.

Mr. Kelly Harris: Thank you, Mr. Chair.

The Chair (Mr. Peter Z. Milczyn): If you have any further written submissions, you have until 5 p.m. on January 20.

Mr. Kelly Harris: Thank you very much.

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NURSE PRACTITIONERS' ASSOCIATION OF ONTARIO

The Chair (Mr. Peter Z. Milczyn): Our next witnesses are from the Nurse Practitioners' Association of Ontario. Good afternoon. You have up to 10 minutes for your presentation, followed by up to five minutes of questions from the official opposition. As you begin, if you can please state your name for the official record.

Ms. Theresa Agnew: Yes, thank you very much. I'm Theresa Agnew, the CEO of the Nurse Practitioners' Association of Ontario. My colleague Jane Fahey-Walsh sends her regrets. Her father passed away suddenly.

I'm very privileged to be here today to speak to the Standing Committee on Finance and Economic Affairs. NPAO represents more than 3,000 nurse practitioners across the province who are now serving more than four million Ontarians.

I'm going to jump right into it. NPAO is asking that the 2017-18 provincial budget include a targeted invest-

ment in primary care in order to address the nurse practitioner recruitment and retention crisis.

In *Patients First: Ontario's Action Plan for Health Care*, Minister Hoskins has articulated a strategy that will help to ensure that the people of Ontario receive the right care at the right time by the right provider, as close to home as possible. Furthermore, by utilizing the most efficacious and cost-effective provider, taxpayers will see better value for their tax dollars.

On December 7, 2016, the Ontario Legislature passed Bill 41, the *Patients First Act*. This legislation will help patients and their families to better access the health care system and ensure that everyone who wants a primary care provider will be able to access a family doctor or nurse practitioner. Unfortunately, one of the major impediments to achieving this goal is the ministry's current compensation policy.

The government talks extensively about shifting health care services to the community, but provincial policies drive health care professionals out of the community and back into hospitals. The average nurse practitioner works for 16 years as a registered nurse before doing a master's degree to become a nurse practitioner. Despite the added accountability and scope of practice for an NP, an RN working in a hospital or public health unit makes about the same as or more than a nurse practitioner working in primary care.

Not surprisingly, community positions for nurse practitioners are now experiencing high turnover and vacancy rates. This means that approximately 250,000 Ontarians are kept waiting for care. Organizations such as CHCs, family health teams and nurse-practitioner-led clinics must turn away patients who could otherwise be treated by an NP. The starting salary for a nurse practitioner in Ontario is now the lowest in Canada, second only to Quebec.

In the 2016 provincial budget, the government of Ontario announced an \$85-million investment over the next three years to assist primary care organizations to recruit and retain skilled non-physician staff. This translates to a \$31-million increase to base for close to 400 primary care organizations serving more than four million people.

Although NPAO recognizes the government's commitment to improve compensation, this investment only represents a first step toward closing the pay gap that was created by a wage freeze lasting over 10 years.

The compensation structure report based on the Hay Group recommendations sets the benchmark salary for nurse practitioners in Ontario at the level of a clinical psychologist, starting at \$103,000 and going to a high of \$135,000. According to the guidelines for implementation of the \$85 million in funding, the new maximum funded salary for a nurse practitioner would be \$94,000. This means that even with the new increase, nurse practitioners' salaries fall short of the minimum of the 2012 benchmark.

Of note, the \$85 million over three years is to be used for all interdisciplinary team members—not just nurse

practitioners, but also social workers, dietitians, pharmacists and RPNs.

Recently, the Liberal government announced an investment of \$125 million to base in pay raises for managers in the Ontario civil service. The explanation provided for the increases is reflective of the long-standing wage freeze and the difficulty in recruiting and retaining managers in the OPS. This translates to an average salary increase of \$6,905 to each of the 8,400 civil service managers. There is no doubt that this compensation increase is well deserved. However, nurse practitioners' salaries have been frozen—some since 2006 and many since 2008—and, even with the new funding allocation, the expected average salary increase for a nurse practitioner is about \$5,000.

An equitable compensation policy would help to ensure a return on the investment in nurse-practitioner-led clinics and community-based health care that the province has already made and pledges to make. Low turnover also improves patient safety and continuity of care.

NPAO, along with AOHC and AFHTO, are proposing a multi-step solution to this crisis in the document *Toward a Primary Care Recruitment and Retention Strategy for Ontario: Compensation Structure for Ontario's Interprofessional Primary Care Organizations*. We are asking this government to make an additional investment of \$130 million to base in order to bring primary care compensation up to the 2012 Hay Group recommendations.

Secondly, NPAO is asking that the 2017-18 provincial budget include further investment in nurse-practitioner-led clinics. Nurse-practitioner-led clinics are an innovative model for delivery of comprehensive primary health care in Ontario and Canada. The model is designed to improve access to care for the thousands of individuals and families in underserved areas who do not currently have a primary health care provider. One of the unique aspects of this model is the incorporation of nursing leadership within an interprofessional team.

Nurse-practitioner-led clinics serve some of the most vulnerable, complex clients in the province. This is enabled by the NP focus on the social determinants of health. There are currently 25 nurse-practitioner-led clinics in Ontario serving more than 60,000 previously orphan patients. NPAO has received expressions of interest from 25 communities that meet all the criteria for underserved areas and who would like to have a nurse-practitioner-led clinic in their community. This would require an additional investment of approximately \$30 million per annum.

Thirdly, NPAO is asking that the 2017-18 provincial budget create a truly integrated funding structure for health care that follows the patient, not the provider. NPAO recommends that all funding for all health care flow through the LHINs, including physician funding. We strongly believe that funding should wrap around the patient and family, not the provider. Following on the recommendations of the Drummond report, the province

should continue to move from a fee-for-service payment model for physicians to paying for performance.

With the implementation of Bill 41, the Patients First Act, the LHINs will have more responsibility for planning and more accountability for monitoring performance measures. However, the bill also states that the government would continue to centrally negotiate funding for primary care and physician compensation. This leaves the LHINs without the financial levers they need to accomplish their work.

Recently, four public health units in different areas of Ontario let all of their nurse practitioners go. These nurse practitioners had worked for years providing sexual health clinics. They provided high-quality care with excellent outcomes. The NPs were replaced by physicians. Why? Because the nurse practitioners are paid a salary out of the global budget of the organization, whereas the physicians bill OHIP. So while the budget of the public health unit may look better, this change will actually double the cost of service to the taxpayers.

This type of manoeuvring is also going on in hospitals and long-term-care homes. Various incentives encourage organizations to follow the money rather than determine who can achieve the best outcomes for a client. For example, nurse practitioners in some emergency departments are relegated to seeing the most complex patients. This enables the physicians to see less complicated patients, in order to bill for higher volumes.

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We know that this government is committed to transparency and openness. We know that you are committed to achieving the best value for taxpayer dollars. As such we recommend that health care funding be integrated at all levels.

The Chair (Mr. Peter Z. Milczyn): Thank you. That's the 10 minutes. We now have up to five minutes of questions from the official opposition. Mr. Fedeli.

Mr. Victor Fedeli: Thank you very much for your presentation. You talk about the 25 nurse-practitioner-led clinics in Ontario. Of course, we have one in North Bay. I have to tell you, I've toured there about every second year since I've been elected, first as mayor and then as an MPP, and that is a real treasure, especially for the area that it's located in, within the geographic locale. It has just been a real super service.

Now, the NPAO come into my office as an MPP frequently, and they keep me well briefed. I'm really appreciative. They do a remarkable job, by the way, of keeping us informed. I don't see anything here, but I'm almost remembering them talking to me about controlled substances. There's nothing in your asks here. Can you touch on that for a minute? Would you mind?

Ms. Theresa Agnew: Recently, perhaps a few weeks ago now, the Minister of Health, Dr. Eric Hoskins, sent a directive to the College of Nurses of Ontario, asking them to expedite regulatory changes that would be required so that nurse practitioners in Ontario can prescribe controlled drugs and substances. The minister

has asked for those regulatory changes to go through by the end of March 2017. We're very pleased to see this, because in many situations, nurse practitioners provide palliative care, and they're providing for oncology patients, psychiatry etc.

Mr. Victor Fedeli: Thank you very much. I'll turn it over to Mr. Barrett.

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett?

Mr. Toby Barrett: I thank the nurse practitioners for testifying. In general, you support what has happened with Bill 41 and support, ideally, what will occur going forward. It is reality now, and there is an opportunity as the system unfreezes. The fluidity will be there to make the necessary changes.

I don't know how confident we will be in integrating the system. We went through this in the 1980s with the district health council system, and the mandate was coordination. I was involved in that system for many years as a consultant, and we failed in many ways as far as coordination. I don't know how long it will take to achieve integration.

You suggest a few barriers—the compensation issue, for example. I just wonder if you could tell us a little bit more. In the real world, how successful will our minister be in truly integrating the system with the reorganization proposed?

Ms. Theresa Agnew: Well, NPAO did speak in favour of Bill 41, with proposed amendments, and we were pleased to see that some of those amendments did make it into the final piece of legislation. But having said that, I am concerned that the LHINs have a large mandate to integrate services and to ultimately provide accountability and oversee performance without, perhaps, the necessary levers that they need to accomplish that work. I think some of that has to do with being able to have some of the funding paid for performance, quite frankly, and for outcomes.

Mr. Toby Barrett: Superficially, you can envision, say, a very large global corporation doing a reorganization with everybody pretty well on the same paycheque, and if you don't go along, well, your job disappears. We have a different structure in our monolithic system of health care in the province of Ontario.

I don't know how long this is going to take. I certainly wish the minister well. I commend him for stepping out on this massive reorganization. I'm just concerned that maybe some parts will get reorganized and others won't.

Ms. Theresa Agnew: Well, NPAO believes in, and will continue to advocate for, truly integrated funding across all areas of the health care system, including physician services. We can't be paying for most services out of one pot and some services out of a separate pot; it doesn't make sense.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. That's all the time we have. If you have anything further you would like to provide, you have until 5 p.m. on January 20.

Ms. Theresa Agnew: Thank you very much.

ONTARIO PHARMACISTS ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Ontario Pharmacists Association. Good afternoon, gentlemen. You have up to 10 minutes for your presentation, followed by up to five minutes of questions from the New Democratic Party. Before you begin, if you could please state your name for the official record.

Mr. Sean Simpson: My name is Sean Simpson. I'm chair of the board of the Ontario Pharmacists Association.

Mr. Dennis Darby: I'm Dennis Darby, the chief executive officer of the Ontario Pharmacists Association. I'll begin, if that's okay.

Thank you, Mr. Chair. Good afternoon to you and the members of the committee. It's a pleasure to appear before the standing committee once again. For new members, the OPA represents the profession of pharmacy, including pharmacists and pharmacy technicians. We are a professional, not an industry, association.

We've appeared before this committee to provide input to Ontario budgets over the last several years. In those submissions, we've highlighted the value of investing in broader health care provision by the province's over 20,000 pharmacists and pharmacy technicians through an expanded scope of practice and specific elements of care. At a time of scarce resources in government, we've proposed cost-efficient ways for governments to make progress.

One example of progress is the introduction of the annual flu shot by pharmacists four years ago. The annual program has been an unqualified success. By enabling and funding pharmacists to take on this role, more people can more easily participate in this important public health initiative. Not only have pharmacists become the largest single provider of flu shots to the working adult general public, but because of the convenience of community pharmacies, their hours and locations, the flu shot has been taken by a larger and broader demographic of Ontarians for whom the other methods of distribution by doctors' offices or flu clinics were hard to access. We point this out only to underscore that patients are willing to receive more care from their pharmacists, who they trust and who are easily accessible to them in their community.

However, in Ontario, our progress has been limited as pharmacists still lag behind their counterparts in most other provinces in terms of what they're permitted to do or funded to do. Independent expert data as well as real-world programs in provinces like Quebec, Alberta, Saskatchewan and the Maritimes suggest that pharmacists here in Ontario are an underutilized asset in health care delivery and can be better leveraged by bringing scope of practice up to par with the leading provinces, with modest funding to cover the costs of delivery.

We understand that as government decision-makers consider policy changes to enhance services, they have to think about capital costs, operating budgets, staffing, where to locate and a range of other considerations. With

pharmacy, none of that needs to be a barrier to progress. There are over 4,000 pharmacies in Ontario, in every corner of the province. They are privately funded and operated by a range of owners from the sole proprietor pharmacist up to national chains. Capital costs, operating budgets, location and staffing—all of those things are taken care of. Pharmacies are out there, and pharmacists working within them are ready to do their part. We need only the political will, the regulatory approval and, in some cases, a reimbursement for service rendered. Unlike annual operating funding that governments give to other providers in the health care system, pharmacies only charge when they deliver the services that you authorize.

Mr. Sean Simpson: Today, we want to focus on something else entirely, related to the obligations and objectives of pharmacists as health care providers in our province.

We are aware of the discussions underway in the government about a guaranteed annual income as a way to help lift families out of poverty, and we know that many scholarly studies have shown the link between poverty and poor health. Estimates in Canada suggest that at least one in 10 people do not fill needed prescriptions because of the cost of medications. As you know, the current Ontario public drug program provides one of the most heavily subsidized drug benefit programs in Canada, but only for seniors 65 and over, the disabled or people living on social assistance. There is a large and, regrettably, growing number of working-poor families and individuals who, through low wage and/or temporary jobs, have no drug benefits. While there is the Trillium fund, which is available for those without coverage for medications, it too has a limit and requires a co-payment that would be impossible for poor working families to contribute.

The importance of the proper use of medications to help manage chronic conditions, from diabetes to mental health, is well documented and researched. Medication care is a key component of health care—treating diseases, managing and monitoring chronic conditions, and maintaining or improving public health—that is not currently universally accessible for everyone in this province.

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In some other provinces in Canada, notably Quebec and British Columbia, there already exists drug coverage for all, on a graduated scale, depending upon income and whether or not you have employer coverage. These programs provide a safety net for the self-employed, the underemployed, those with seasonal or temporary casual work and their families, in addition to seniors and those on social assistance. It is based upon income, not age.

We believe that a key component of any investment that the government of Ontario wishes to make with respect to a guaranteed annual income must include expanded drug coverage based upon need, not just age or whether or not you are on social assistance.

Personally, I've had numerous patients—members of the working poor—who have gone without the necessary medications for heart disease or diabetes due to their

inability to pay for them. Many of those have literacy levels that prevent them from filling out the Trillium application form, and many more are simply left with the decision to pay their deductible assigned by Trillium or feed their families.

We understand that to make such a change would require a change to the existing Ontario public drug program. In those provinces I previously mentioned, seniors do pay a higher proportion of the cost of the prescriptions, at least more than the token copayment Ontario seniors pay—and many pay nothing whatsoever. We believe that such a plan would be a step towards a fairer, more needs-based approach. Similarly, other health services that pharmacists provide unrelated to the dispensing of medications are available to all residents of those provinces, funded as part of the overall health care budget, and funded because all the evidence suggests that pharmacists, as trusted health care providers, provide direct value to the system when they take care of patients.

In our current system, as the number of seniors increases and with new life-saving medications costing orders of magnitude more than in the past, pressure grows to cut funding for pharmacists' services or restrict access to medications. In our view, that is the exact opposite of what is needed. In part, the stresses on the system are a result of the decision by the government to put practically no cost-sharing burden on patients who do have the ability to pay more than a small token amount towards the cost of their medications. Putting in place a more fair, universally accessible—based on need and income—program would require an investment, to be sure, but one that works successfully in other provinces and countries where universal health care operates successfully.

We suggest that the government undertake the work to reform its public drug program, where coverage is fair, needs-based and more equitable, by looking at other models and engaging with health care providers. Those who need it most will get the most support. Pharmacists in Ontario will support this work, and wish to be at the table when those plans are discussed. Like our counterparts across the country, we know our patients and their medication needs the best. Of course, not just pharmacists but other health care providers, including physicians and nurse practitioners, need to be part of this process of reform.

Pharmacists can do even more than they do today to help patients in Ontario to improve and maintain their health. Based on the experience of our colleagues in other provinces, we know we can improve the fairness of this element of our health care system, and as part of the discussion on guaranteed annual income, or even not, it bears a thorough public discussion.

We recognize that this is the finance committee, but in non-financial terms, we have to take care of people. Our members have to help people, and all people, regardless of their station in life, should have access to the medications and health care that they need. Our members will do their part. We need you to do yours.

Thank you. We'll be pleased to take questions.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. This round of questions is to the NDP. Ms. Fife.

Ms. Catherine Fife: Thank you very much for coming in and for raising the issue of the inconsistencies around the Ontario public drug program. I know that you had a lobby day here. Was it this week?

Mr. Sean Simpson: Yes.

Ms. Catherine Fife: It was this week.

Mr. Sean Simpson: We slept over.

Ms. Catherine Fife: Your members are very committed, I have to tell you. I do want to commend your organization for really changing the culture of pharmacy in the province of Ontario. I know many people in Waterloo region go to their pharmacist first for medical advice. So I think there is obviously room for improvement around your scope of practice. I did want to reference that, because sometimes you don't know if these lobbying days are really effective, but they were for me this—if you say it was this week, I'm going to believe you. It was that kind of week.

I do want to raise your proposal or your call to action to the government around reforming the public drug program based on need and income, because this gets very complicated. For some seniors or for many people in the province of Ontario, need is a moving target and income is a moving target. You quite rightly identified the issues around precarious part-time work as well, and trying to hold the line on that.

Do you want to put the idea out there, in a really tangible way, of how this would look to the government?

Mr. Sean Simpson: We referenced the Trillium program in our remarks. I think there's a framework that is already established with that Trillium program, that when people do fill out the application, it's assessed based on their income. I think if that framework was shared across the full spectrum, including seniors, we might end up with a more fair approach.

I live in Niagara-on-the-Lake and practise in Niagara-on-the-Lake. We're very fortunate, where we live, to have an affluent population, some of whom giggle when they pick up their prescriptions, knowing that they could pay plenty more, and afford to.

We also have a practice in Niagara Falls, where many more people struggle. It's a completely different animal entirely.

I think it only would make sense if we took a framework that the government already has access to, and shared some level of that framework across the board. That would apply those deductibles on an income basis, as opposed to strictly at a cost level or at an age gap—once you turn 65, coverage starts.

Dennis, I think, maybe has a remark to add to that.

Mr. Dennis Darby: The only thing I'd add is that I would encourage the government to look at the program that has been in place for over a decade in Quebec, where the adjudication at the pharmacy is based upon the patient's need. You're right: There are cases where your station will have changed, and there's a way to override some of that. But the idea is that there is first-dollar

coverage for those who need it. If you have a privately funded plan, like an employer plan, then you don't get that benefit, but if you don't, then you do get the maximum benefit of the program, so that people who need it get it. We're not inventing new ground. It's already there.

Ms. Catherine Fife: So there are models that we can apply to Ontario?

Mr. Dennis Darby: We could.

Ms. Catherine Fife: You're quite right, though: Literacy is an issue. My constituency staff fill out these applications for seniors. Also, it's having them know about the program as well. I think that there's a lot to be done on that front.

Around diabetes—hopefully, you have time to comment on this—the testing strips became an issue in the province of Ontario. Can you weigh in on that a little bit? Because that also can inform our committee.

Mr. Sean Simpson: I certainly can. There was a policy put in place with testing strips, to control the amount of utilization. I think it has impacted patients. I'd have to say there are mixed reviews. I think there's a certain benefit to the system and to the taxpayer of putting those regulations in place, as there were many people who were tempted to overuse those strips or test too frequently.

At the same point, there are many people who do require extra testing while they're going through certain changes, and their ability to test has been somewhat compromised by that. There have been some rules put in place to help and allow those, but it's a challenging scenario to follow through on. I'm not sure that we have a solution at the ready, to be able to share.

I think what would have been helpful is a more thoughtful consultation with the members of our profession prior to applying these rules. As with any hot-button issue, whether it's diabetes test strips or the opioid crisis, we'd ask that when decisions are made around legislation that affects the use of drugs and pharmaceuticals and in pharmacies, that members of our profession be consulted so that we can help come up with thoughtful solutions.

The Chair (Mr. Peter Z. Milczyn): That's our five minutes. Thank you very much for your presentation. If you have further written materials you'd like to provide, you have until 5 p.m. on January 20.

Mr. Sean Simpson: Thank you.

INCOME SECURITY ADVOCACY CENTRE

The Chair (Mr. Peter Z. Milczyn): Our next witnesses are from the Income Security Advocacy Centre.

Ms. Jennefer Laidley: Hi.

The Chair (Mr. Peter Z. Milczyn): Good afternoon. You have up to 10 minutes for your presentation, followed by five minutes of questions from the government side. When you do begin, if you could please provide us with your names for the official record.

Ms. Jennefer Laidley: Great. Thank you very much. Good afternoon. My name is Jennefer Laidley. I'm the research and policy analyst at the Income Security Advo-

cacy Centre. We're a specialty legal clinic in Ontario's legal clinic system. You can learn more about us from our written submissions, which you have. Thanks for hearing from us today.

I've brought with me colleagues from the Interfaith Social Assistance Reform Coalition, or ISARC—we're ISARC and they're ISARC—and the ODSF Action Coalition. We're here today to ask the standing committee to support our call to make significant investments in this upcoming budget in the health and dignity of low-income people in Ontario, and particularly those on social assistance. We're working in concert to bring you this message on behalf of faith communities, advocates and people who live in poverty on these programs.

First, I'm going to ask the chair of ISARC, the Rev. Dr. Susan Eagle, to say a few words.

Rev. Dr. Susan Eagle: Thank you. Thanks for an opportunity to say a few words directly to the committee today. My thanks to colleagues for being willing to share the time that we have.

ISARC is an interfaith coalition that began as an advisory committee to George Thomson as he reviewed social assistance and created the Transitions document 30 years ago. We continue to represent faith communities across Ontario concerned with the inadequacy of the social safety net and the lack of dignity for people who are vulnerable.

Faith groups also reach out to provide help through food banks and Out of the Cold programs etc., and so know first-hand the stories of those who are left behind in our economy and our society. Every day, we see the visible evidence that political promises made have not been kept.

So we're asking you to use this next budget to do three things:

(1) to add another billion dollars immediately to social assistance programs, both for rate increases—\$700 million—and for rule changes—\$300 million; it sounds like a lot of money, but it's less than 1% of your budget;

(2) to add another billion dollars over three years to affordable housing programs; and

(3) to immediately raise the minimum wage to \$15 per hour.

These would be bold steps that would confirm your intention to make good on election promises this government has repeatedly made to close the gap between the have and the have-not populations of our province.

We commend you for small steps taken to alleviate poverty, but we note that with the increasing price of housing, electricity, food and other costs of living, it has barely changed the state of poverty for those who struggle every day to care for themselves and their families. We commend you for the appointment of the Income Security Reform Working Group, facilitated by George Thomson. However, we note that that working group is urging the government now to address adequacy by raising social assistance rates by a meaningful amount that exceeds inflation. This would demonstrate, they say, a commitment to those in need and be an early signal of

the government's positive response to their recommendations in the action plan.

There are economic arguments as to why raising the income of the most vulnerable in our economy is good. There are practical arguments about the lost productivity of those who are left to languish on the margins of our society. There are social and health implications, as we just heard from the last presenters, of leaving people behind and the way in which, ultimately, it reduces the quality of life for the whole community. ISARC believes that there are also moral and ethical perspectives that need to be considered—

Interruption.

The Chair (Mr. Peter Z. Milczyn): I apologize for interrupting you. We do have a five-minute bell upstairs. Members have to go to vote, so I'll stop your time. We'll recess now, and members are to come back immediately after the vote.

The committee recessed from 1614 to 1626.

The Chair (Mr. Peter Z. Milczyn): Thank you. We can reconvene. We were in the middle of the statement from the Income Security Advocacy Centre. You have about another five minutes left.

Ms. Jennefer Laidley: Really? Can't we get a couple of extra minutes?

The Chair (Mr. Peter Z. Milczyn): We have to try and stay on schedule so nobody gets bumped at the end of the day.

Ms. Jennefer Laidley: We'll try.

The Chair (Mr. Peter Z. Milczyn): Please proceed.

Rev. Dr. Susan Eagle: We did time our presentation.

The Chair (Mr. Peter Z. Milczyn): I appreciate that.

Rev. Dr. Susan Eagle: I'm Susan Eagle and I'm speaking on behalf of ISARC.

ISARC believes that there is also a moral and ethical perspective that needs to be considered. We believe that we are called to care for each other and to respect the dignity and value of every God-created being. We believe that we're called to be neighbours to each other, and that the way we care for one another becomes the final legacy we leave to future generations.

More than a decade ago, the Deputy Premier, the Honourable Deb Matthews, in a review of employment programs, recognized that low social assistance rates are a barrier to employment and contribute to "deep and sustained poverty."

We are dismayed by the inaction since then. The sympathetic refrain of "Yes, but not yet" is no longer an acceptable option—if it ever was—for those of us who have been waiting many years for action. That attitude would be a shameful dismissal of those who exist in a desperate struggle to survive.

We believe that this is the last active and implementable budget of this government and that the legacy for this term of government is being written now and will be enacted with the 2017 budget. Please heed the advice of the many who urge you to act now.

Ms. Jennefer Laidley: Thanks, Susan. I'm going to talk specifically about the investments in social assist-

ance rates and rule changes that Susan has just mentioned.

While \$1 billion won't completely resolve the poverty of people on OW or ODSP, or transform the system, we see this as an important interim step before the government's Income Security Reform Working Group makes its recommendations next year.

As we outline in our submission, which I hope you'll read, \$700 million would be about a 10% increase in basic needs and shelter rates, with a bump-up for folks who are single, who are in the deepest poverty.

We've been advocating for many years for investments in other delivery mechanisms, but there hasn't been progress made on other tax-delivered benefits. For example, I just want to make the point that, with all regular benefits from provincial and federal tax-delivered benefits, the total income of a single person on Ontario Works right now in this province is \$785 a month. A single person on ODSP gets about \$1,200 a month. A single parent on OW with one child gets about \$1,700 a month—and that's from all income sources. They're well below accepted and acceptable measures of poverty and low income.

We know the impacts of poverty: poor health, preventable disease, food insecurity, insecure housing and homelessness. The costs of not taking action on poverty are also well known. A recent estimate has pegged those costs, in the city of Toronto alone, at about \$5 billion.

Making the investment that we're asking for in rates: It's an easily implementable delivery mechanism and it will help to address those impacts and costs. But it would also boost Ontario's economy. The Department of Finance federally pegs the multiplier effects of direct investments in incomes at 1.3, so this investment would add about \$910 million to Ontario's economy. It would be local, because low-income people spend locally in their local communities on basic necessities.

We're also recommending that \$300 million be spent on making nine rule changes within the programs. I'm not going to go into detail, but these changes would improve the social assistance system right away. For example, we're recommending changing the definition of "spouse" to align with family law and increasing allowable earned income and asset levels. This is about giving people the ability to maintain a financial cushion, improving access to medical and dental treatment, ensuring benefit fairness, removing punishments, and allowing people to form relationships without barriers standing in the way.

Our time is limited, so I'm going to ask Patricia Smiley to speak to these issues from her personal experience as a person who lives on ODSP.

Ms. Patricia Smiley: Good afternoon. My name is Patricia Smiley and I am the recipient co-chair of the ODSP Action Coalition's policy and research committee.

I'm here today to speak as a person who experiences the deep poverty that social assistance recipients live in. ODSP is a program that provides income supports to help cover basic needs—food, shelter, transportation, regular

expenses. That current rates do not cover these needs can be seen in the attached paper that this committee of the ODSP Action Coalition did in 2014. Our very low incomes, coupled with the rising costs of everything, are not only putting our health at risk, but our ability to manage life on a daily basis. So how do we manage?

We use food banks on a regular basis—an obvious one—where they exist, and if recipients can afford to get there, recipients may go to community meals. Many recipients are in the habit of paying the hydro bill one month and the telephone bill the next, or paying these bills partially, hoping that such vital services aren't cut off.

While we are covered by Ontario drug benefits, those benefits do not cover the costs of over-the-counter medication or supplements, frequently as important to our health as prescription drugs. It might not seem like a lot of money to buy a month's worth of low-dose aspirin or iron supplements—less than \$10 at most drugstores—but when we routinely have to choose between medication and food, and if there is more than one, this becomes a considerable cost. As with utility bills, it leaves a person wondering which ones they can do without—maybe all of them.

Our poverty often prevents us from taking part in other activities, including those recommended by our health care providers. For instance, taking part in a community mental health program could prevent a far more expensive visit to an emergency ward or, worse, a hospital stay. Could a regular exercise program at a community centre help a person with some form of arthritis cope with pain, or are we left with only prescription medications? If such a program is offered at no cost, does a recipient have the ability to pay for the transportation or the bathing suit required for a swimming program?

Cancelling medical appointments because one doesn't have the money to get there is probably not a well-advised tactic for a person living with one or more chronic conditions, but it happens.

The Chair (Mr. Peter Z. Milczyn): Sorry. I'll just stop you there. It's 10 minutes.

Ms. Patricia Smiley: Thank you.

The Chair (Mr. Peter Z. Milczyn): We now have questions from the government side. Mr. Baker.

Mr. Yvan Baker: I know that ISAC has long advocated for improvements to the income security system, and you've talked about that a little bit today, notably through rate increases in social assistance programs.

Before I ask my question, I guess I should say that I really applaud you for your advocacy and the work that you're doing. I know that over the past year or so—actually, social assistance rates have been increased in 12 of the past 13 years in Ontario. For example, in the last budget, there was \$137 million more invested to increase social assistance rates, and that was in Ontario Works, ODSP etc.

Could you just talk a little bit about how those rate increases over the past 12 years have impacted people?

Ms. Jennefer Laidley: Sure, and I just want to be clear: We represent three different organizations. We're

ISAC, they're ISARC, and they are the ODSP Action Coalition.

In 2004, when the McGuinty government was first elected, their first budget committed to a 3% rate increase. Folks were pleased that there was that level of increase because there had been cuts of about 22% in 1997 and a freeze for folks on regular welfare, OW, and a freezing of rates for people on ODSP in that time. To start with an increase to social assistance rates was a good place to start.

But those increases have been in the range of 3%, 2%; since 2010—so we're talking six years—the rate increases have been at 1%. That hasn't in most years kept up with the rate of inflation. That's the main criticism.

We know that government is managing its budget, but in effect, what happens is that budget management happens at the expense of the people who are least able to respond and least able to keep up with the cost of living. When you've got annual rate increases that don't even keep up with cost of living and when you've got hydro costs, as I'm sure this committee knows, increasing at such a drastic rate, when you've got food costs set to increase next year by somewhere in the range of 3% to 5%, which a recent study just talked about in the last couple of days—these are folks who cannot keep up.

Did you want to say something, Susan?

Rev. Dr. Susan Eagle: Well, I just want to say that the housing costs alone are way out of whack with the amount of money that people get on social assistance to pay for shelter. So we commend you that you have made an increase each year, but it has not been, first of all, sufficient to deal with the gap, and then it is certainly not enough—barely—to keep up with the cost of living. There's a wide, wide range—and you'll see the chart that shows what the actual income levels are for people. Try and rent an apartment with the shelter allowance that's being provided. You can't do it.

Ms. Patricia Smiley: And just covering these basic costs, on average—the numbers may be a couple of years old, but when we did that 2014 paper, one of our members—by the way, Jennefer is a member of our committee. You've got a deficit just paying for those basic expenses. It doesn't allow people on ODSP in the long run to do things like—I don't know—get a new pair of winter boots so they can get out—

Ms. Jennefer Laidley: I should—sorry. I should say that government has made a lot of investment in the Ontario Child Benefit, and that has been a very positive move. But, primarily, and as you'll read in our submission, for people on social assistance, the Ontario Child Benefit has been about restructuring benefits for children out of social assistance and into the new benefit, rather than acting as a supplement on top of their already low incomes. We've gone through the variety of other benefit mechanisms that exist: There's the Ontario Trillium Benefit; there are GST credits; there are the child benefits. But these are not—you know, we've been talking, for the last many years, primarily about government increasing total incomes for people. Choose a

delivery mechanism. We don't mind. Ensure that people get more money through whatever delivery mechanism you need to, but to this point, that hasn't happened.

That's why we're coming to you now to say that you've got a really easy mechanism through which to deliver benefits into the hands of people who are among the most low-income in this province. We encourage you to use it.

The Chair (Mr. Peter Z. Milczyn): Thank you. That's our five minutes. If you do have further written submissions, you have until 5 p.m. on January 20.

Ms. Jennefer Laidley: Thank you so much.

ONTARIO AGRICULTURE SUSTAINABILITY COALITION

The Chair (Mr. Peter Z. Milczyn): Our next witnesses are from the Ontario Agriculture Sustainability Coalition. Good afternoon.

Ms. Amy Cronin: Good afternoon.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, followed by five minutes of questions from the official opposition. Please state your names for the official record as you begin.

Mr. Eric Schwindt: Good afternoon, and thank you for the opportunity to speak here today. My name's Eric Schwindt, and I'm the chair of OASC, the Ontario Agriculture Sustainability Coalition, and a pork producer from Elmira. With me today is Amy Cronin, chair of Ontario Pork, and John Steele, a sheep producer from Peterborough. We're here to talk to you today about the RMP program and the important role it has in the businesses our Ontario farmers operate under. We're asking the government to continue to support the \$100-million program going forward because RMP fills a gap in a national suite of programs.

John has been involved in the program development. He's going to discuss RMP 101, where it came from and how it was developed. Amy was also one of the farm leaders involved in the development of the program. She's going to talk about how it fits in the big picture of Ontario's agricultural industry and how it helps to meet the Premier's challenge. At the end, we'll update you on some of the things we're doing with the minister to enhance the program going forward and possibly bring in federal involvement.

John?

1640

Mr. John Steele: Thank you very much indeed, Eric.

My name is John Steele. I'd like to thank you very much for allowing us a few minutes of your time to update you on the Risk Management Program that has been in place with livestock since 2011. You've got a busy schedule, but I appreciate this time.

In today's fast-paced system, although the program has been in place since 2011, it's easy to forget why it was created. It's so important to Ontario's farmers. Back in 2009, this government, the Liberal government,

charged the livestock and grains farmers to work together to develop a made-in-Ontario solution to their needs.

The Risk Management Program provided a critical measure of predictability and timeliness at a time when there were national problems. We had just come through the fallout of BSE and mad cow and also swine flu, and we were looking at a way of coping with the severe market volatility by factors outside of our direct control.

The Risk Management Program, also known as RMP, was developed by farmers for farmers to address these fundamental shortcomings. It acts as an insurance program to protect producers in rising input costs and also in market downturns. We have to remember that nowadays, we work in a global market, and often these are outside of producers' control. Market prices for many of our commodities are set in Chicago, directly outside of the local here in Ontario, where we have to work and provide the province's food. Like many other insurance programs, it's funded in part by premiums. The producers contribute to be eligible for the program.

The way the program works is, the Ministry of Agriculture tracks the input costs on a rolling average, and also the market prices, and the farmers receive support based on the difference between the two. At the moment, the province has been providing 40%. The model was originally conceived with a 60-40 federal-provincial split. We've never had the federal support, but with the opening up of the recent agriculture framework for the federal level, we'd hoped that this would be a good model for the federal government to be encouraged to participate in.

Each commodity can be faced with different challenges, and as a result, we have changes within the program for the different commodities affected in each year. That's why it's so important that we stick together and it works so well.

Each commodity has an allocation that at year-end is reconciled. If there is surplus in a commodity, this flows over to the other commodities to address any shortcomings in theirs. To put it more precisely, if the livestock farmers don't need the funding available to them in this year, it would go and roll across to the grains and oilseeds.

That's a little update on it.

Amy?

Ms. Amy Cronin: Thanks. As John mentioned, we know that RMP is a really important program for our farmers. In fact, my farmers say it is the most important program that they have available to them. It's important to the agricultural sector, but it goes a lot further than just farmers. I think we have to keep in mind that when there are RMP program payments that go out to farmers, that reaches far beyond the farm gate. It helps with veterinarians. It helps with seed and equipment providers. It helps with the local butcher and the processing sector in this province. So an RMP program really goes much further than just the farm gate.

We had a province-wide economic study that we did in the last year, by Harry Cummings and Associates. This

study found that without RMP, even if you had just a modest resulting contraction in economic activity because we didn't have an RMP program, it would lead to a resulting 3,250 jobs from the Ontario economy—so quite significant with just a moderate reduction.

Over the past four years, this study shows that every dollar that goes into that RMP program contributes \$2.24 in positive economic activity. So you can see that this program is good for not only farmers and the up- and downstream parts of the agricultural sector, but also for taxpayers in this province.

What I'd like to say—the Premier put out an agriculture challenge. She challenged the agriculture sector to double its rate of growth and to increase jobs by 120,000 by 2020. Farm leaders have most certainly stepped up to that challenge. I personally had the privilege to co-chair that growth steering committee with Deputy Stark at the time, and issued recommendations to the minister on how we were going to achieve that. We are well on our way.

We're excited about the opportunities that lie ahead in agriculture, both in our domestic market, where we've got the support of Minister Leal and his ministry's Foodland Ontario program, as well as international markets. I'd like to say that there are incredible markets all around the world. At Ontario Pork alone, we ship to 65 different countries around the world out of Ontario.

Farmers recognize the important role that RMP plays as an insurance foundation that gives producers peace of mind to make long-term investments in our food and in the food system's long-term economic sustainability. It's not to say that this program can't improve; it absolutely can. Right now, our leaders are working with Minister Leal and his ministry to develop a road map for how RMP can be better used to drive public policy outcomes in this province, and we're looking at attracting federal support for the provincial initiative. For example, on the provincial side, today, if you're involved in RMP, you need to have a premise identification number. That really helps the province in ensuring a strong foundation for food safety. We look forward to continuing this work with the minister, and we want to take our ideas forward to the federal government with a "team Ontario" approach, because the Ontario Agriculture Sustainability Coalition really is about farmers working together.

This program is absolutely essential in this province. It means so much to the farmers who all of us represent, and it's a program that addresses shortcomings in national farm programs. It plays a critical role in providing stability for Ontario's farms and the farm sector, and farmers across Ontario value the program and the stability that it brings to their farms.

As a leader of the pork industry, I can say that we're in a downturn right now. Our farmers are able to continue to focus on their business because they know that they've got support through this Risk Management Program that will definitely help them out in 2016, and we thank you for that.

As leaders of OASC, the Ontario Agriculture Sustainability Coalition, and the commodities that we represent

on behalf of thousands of our members, we are just calling for the Ontario government to preserve the \$100 million that we have in the RMP investment.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Now it's questions from the official opposition. Mr. Barrett?

Mr. Toby Barrett: Thank you for coming forward. It's heartening to see various commodity groups work together on this, and you have been working on this for several years.

I appreciate the economic report. I've got a few of them now. I'll hang on to them. It's actually a very good read. I scanned this, and it's very well written.

Talking about market price, I think of—well, you're export-driven. Did you mention 65 countries?

Ms. Amy Cronin: Sixty-five countries around the world. That's correct.

Mr. Toby Barrett: For Ontario Pork?

Ms. Amy Cronin: Yes.

Mr. Toby Barrett: And a very large amount of that, I'm assuming, goes just south of here into the United States.

Ms. Amy Cronin: Yes, 38% goes to the United States. That's right.

Mr. Toby Barrett: As we all know, we've had a change of administration in the United States. I'm going to a conference in January, partly for that reason. I think it's very important to talk to our friends at the state level of government. Certainly, in Ontario, many of us do attend conferences and talk to elected representatives at the state level.

But I am concerned about the impact. I know it's not maybe strictly on the RMP program, which you've explained very clearly—to me, anyway.

1650

What are we looking out for, in the next few months, as certain groups—I think of R-CALF maybe raising their heads again, and the COOL. We just wrapped up that COOL debate a year ago. Are we back into this again?

Mr. Eric Schwindt: I look at it as an opportunity as well. Where doors may close south of the border, we can't determine what they're going to do with their trade programs. But if our southern neighbours want to have less trade, we believe there's going to be an opportunity in the Far East. So maybe we can grow our internal packing capacity to supply that market with processed pork, lamb and beef—around the world, and value-add here in this country.

Ms. Amy Cronin: I would like to add that NAFTA is really important to a lot of the commodities in Ontario. Trade, ultimately, for the pork sector is absolutely important. We export over 66% of what we produce—a very high percentage—and that goes, like I said, to countries all over the world.

I agree with Eric in that there are opportunities that may be opened up in other countries that want to work with Canada now, with maybe a change in administration. But working with the US always has been important

for our sector, and I think it will continue to be important for our sector.

I think that the Risk Management Program is something that provides stability and bankability to our producers so that we are prepared, as are all commodities, to be competitive in the agricultural sector.

Mr. Toby Barrett: I know this all gets recorded. As far as US trade, there isn't any clear and present danger looming? There aren't any associations down there that have become emboldened? I worry about R-CALF, and that's more beef. I've heard that somebody sent a memo. Cooler heads, hopefully, will prevail.

The abattoirs, the slaughter, south of the border: They need your product?

Ms. Amy Cronin: There's a lot of expansion that is happening in terms of processing south of the border in the pork industry. We feel that we absolutely can help to provide that for them. I haven't heard specifically of—they haven't come out officially and said that they're going to challenge anything specifically as of yet.

Is there anything you wanted to add?

Mr. Eric Schwindt: I think that covers it. The main thing is, with five new packing plants coming on stream in the US, there's going to be a demand for hogs. In the short and medium term, we believe we can help supply that.

Ms. Amy Cronin: In terms of Ontario's economy, though, I always think that there is a benefit in having local processing. I like the idea of having the entire value chain here at home so that we can add economic activity in as many places as possible and add jobs in as many places as possible. It helps to bridge that rural-urban piece.

Agriculture and agri-food is the number one driver in Ontario. I think we need to keep that in mind. If we can attract processing to Ontario, that's a fantastic opportunity for us. By having programs like the Risk Management Program that provide bankability and sustainability for farmers, it means that we're going to have the product here in Ontario that we're able to provide for that processing industry.

The Chair (Mr. Peter Z. Milczyn): Thank you. That's all of our time for today. If you have further written submissions, you have until 5 p.m. on January 20.

Ms. Amy Cronin: Thank you.

METRO TORONTO CHINESE AND SOUTHEAST ASIAN LEGAL CLINIC

The Chair (Mr. Peter Z. Milczyn): Our next witnesses are from the Metro Toronto Chinese and Southeast Asian Legal Clinic. Good afternoon. You have up to 10 minutes for your presentation, followed by five minutes of questions from the New Democratic Party. As you begin, if you could please state your name for the official record.

Mr. Vincent Wong: Absolutely. Thank you very much. My name is Vincent Wong. I am a staff lawyer at

the Metro Toronto Chinese and Southeast Asian Legal Clinic.

First, thank you very much. I thank the standing committee for giving me the opportunity to have a discussion with you all today.

As an introduction, the Metro Toronto Chinese and Southeast Asian Legal Clinic is a not-for-profit community legal clinic that provides services to low-income, non-English-speaking Chinese and southeast Asian communities in the GTA.

Our clinic is also a founder and a steering committee member of the Colour of Poverty Campaign, which is a province-wide initiative made up of individuals and organizations working to build community-based capacity to address the growing racialization of poverty in Ontario. Most importantly, though, we provide a data- and evidence-based framework in which we can review racial disparities and assess outcomes.

Let me take you through some of the data. In 2017, it is estimated that one in three Ontarians will be racialized—meaning peoples of colour and aboriginal peoples. Yet the data shows an alarming trend of growing socioeconomic disparity from a racial lens. Let me elaborate: In 2006, the last time we had federal long-form census data, earnings by male newcomers from visible minority communities were just 68.7 cents on the dollar to those that were Caucasian males. Such a colour code persisted even at the second generation of Canadians and can be compounded by intersectional barriers. For example, when controlling for similar age and education, second-generation visible minority men earned 75 cents on the dollar to non-visible-minority men, and second-generation visible minority women made 56 cents on the dollar to non-visible-minority men.

While generally Ontarians are of the belief that over time racial disparities are getting better, the data tells us a different story. For example, United Way of Greater Toronto's Poverty by Postal Code report found that from 1980 to 2000 in Toronto, the poverty rate for non-racialized persons fell by 28%. The poverty rate among racialized families rose by a staggering 361%. Racial discrimination in the workplace persists from recruitment and retention to advancement. A 2016 study by the Rotman School of Management found that job callback rates soared when racialized applicants anglicized their names, even among employers that were publicly pro-diversity. What I mean by this is that racism isn't about naming and shaming. It doesn't require that somebody be racist. We are concerned not about intention; we are only concerned about outcomes.

This brings me to my recommendations in tackling this problem of growing racialization of poverty and racial disparity. There are eight recommendations outlined in the written submissions for the 2017 budget, but I'll just highlight a few of them.

First: mandatory employment equity. Employment equity legislation exists at the federal level currently and around 12% of the Canadian workforce is governed by it. If you see, for example, some of the top employers in

terms of diversity, in terms of outcomes—you take a look at the banks. They all have to grapple and collaborate with this employment equity framework, but that does not make them any less profitable; that does not make them any less competitive. We submit that mandatory employment equity has to come back in Ontario, to level the playing field for racialized communities, but also other historically disadvantaged groups such as women, people with disabilities and indigenous communities—an equity-in-employment secretariat, fully mandated and adequately resourced in order to ensure merit-based employment across the province.

Our second recommendation is the proper resourcing of the Ontario Anti-Racism Directorate. We commend this government's decision in February 2016 to create the Anti-Racism Directorate, which, among other functions, will provide for the collection and analysis of ethnographically and otherwise appropriately disaggregated data across all provincial ministries and public institutions. It is important that the directorate stay grounded and get input from communities to ensure that all government policies, programs and services apply a racial lens. In order to properly achieve its mandated goals, the directorate must be properly resourced. The current directorate's annual budget of \$5 million is less than a third of other similar equity offices in Ontario, such as the accessibility directorate, the seniors' directorate and the women's directorate. Given the large number of racialized Ontarians, as well as the pervasiveness of systemic racial disparities, we believe that a \$20-million to \$25-million-a-year annual budget is a more reasonable number to properly resource the Anti-Racism Directorate, so that it can do its job.

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The third is with respect to strengthening employment standards and reinstating provincial wage protection plans: 2016 was the year that our clinic published the Chinese restaurant-workers report, which was the second report following up on one that was done 30 years earlier on the same topic. It found that very little had changed. There were widespread systemic violations of even the most minimum of employment standards.

In order to counteract the deleterious effect of systemic wage theft and collection issues among workers who are owed wages under the Employment Standards Act, the province should re-establish the provincial wage protection plan, which had existed until the mid-1990s, to compensate workers up to a cap for unpaid wages that they have already gotten a positive decision on from the Ministry of Labour.

The final one is investment in equity. Each year, the province is engaged in millions and millions of dollars' worth of contract negotiations and infrastructure developments. Provincial investments, allocations and commitments can be used as leverage to make businesses across Ontario implement equity-based hiring practices.

An encouraging example of this principle at work happened just a few days ago, as the Ontario government created a community benefits agreement for the Eglinton

Crosstown construction project, ensuring that 10% of the total work hours would go to disadvantaged local community members, such as women, people with disabilities, indigenous peoples, racialized workers and refugees.

I will end by saying that this government has indeed shown initiative in taking preliminary steps to alleviate growing race-based disparities. We applaud the moves, such as the creation of the Anti-Racism Directorate and the community benefits arrangement.

Ultimately, we need to be able to talk about race in Ontario in an adult manner, in a mature manner, but there is no way to have that conversation without statistics, without the mandatory collection of disaggregated data. If we don't know where we are now, there is no way to know where we're going, and that will end up ultimately in an increasingly poisonous racial environment here in Ontario, where, at the end of the day, we just end up talking over each other, sometimes yelling over each other.

Racial justice, I submit, is not a zero-sum game. At the end of the day, we all benefit when we root out the vestiges of discrimination—again, not in intention, but in measurable outcomes and policies.

Thank you for your time, and I look forward to your questions.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Questions will be from the New Democrats. Ms. Fife.

Ms. Catherine Fife: Thank you, Vincent, for coming in and speaking about this important issue and about the colour of poverty as well. Your recommendations, particularly around vulnerable workers in precarious employment and the recovery of their wages—as you mentioned in your presentation, there was an exposé about this issue. It was really very shocking that only \$19 million of the total \$47.5 million was recovered. It's a shocking amount of money.

Your proposal, though, to have the provincial wage protection plan, or to do that pitch—was this a successful program before it was terminated? Do you see it being modernized in today's work? Because we do know that precarious part-time contract work is on the rise in Ontario, and it's harder to oversee, right?

Mr. Vincent Wong: Thank you. That's a great question. From my understanding, it was quite a successful program—the original provincial wage protection program. It was also very, very well funded. It was \$175 million. It ended in the mid-1990s. But it compensated workers up to a maximum of \$5,000, if they already had a positive determination from an employment standards officer with respect to unpaid wages.

The problem, right now—and I've faced many of these clients—is that we win. We win at the Ministry of Labour level. If maybe it's appealed, we win at the Ontario Labour Relations Board. Great, we've got this thing. Then the employer doesn't pay, and then it goes to ministry revenue collections, and from there it's a black box. We have no idea what happens. But as you quoted,

only \$19 million of \$47.5 million was collected. That means that the 20-something-million dollars there—the losses—have to be eaten by these workers, who are really among the most vulnerable. So I think it is something that obviously needs to be updated, as you said, for the new economy, but it's something that should be put on the policy priorities list for further research.

Ms. Catherine Fife: Thank you. On the Anti-Racism Directorate—I don't know if you're familiar with the history on this—the NDP had proposed a secretariat, so an independent body to advise government instead of a directorate, which is attached to a ministry. Sometimes these internal organizations have a difficult time criticizing their own government, for instance. Did you participate in any of the consultations that happened around the province?

Mr. Vincent Wong: Thank you for the question. I did participate—and Colour of Poverty has been extremely active in both lobbying for the formation and ongoing discussions with the Ontario Anti-Racism Directorate. I am aware that the provincial NDP had lobbied for an anti-racism secretariat. There's always a little bit of confusion about these two things. My understanding is that, actually, the Ontario anti-racism secretariat is legislatively mandated in the legislative authoritative body that created the Ontario Human Rights Commission, and it is actually in the legislation that that anti-racism secretariat has to be a part of the Human Rights Commission; it was just never funded and implemented.

Ms. Catherine Fife: Yes, exactly.

Mr. Vincent Wong: So it is a great question of whether, in terms of institutional independence, it's better for the anti-racism secretariat, which is a branch under the commission, to exist, or whether it is a directorate that should be accountable to a ministry, or whether these two things can coexist and fulfill complementary functions.

Ms. Catherine Fife: Thank you for that.

I just want to thank you for your seventh recommendation, which is to repeal the three-month OHIP waiting period for immigrants. This is an issue that we see in our individual MPP offices. It is discriminatory in its nature, and it seems fundamentally unfair that we accept some of the high needs—the health needs—of immigrants and we prioritize them, but then when they come here, we make them wait three months for that care, which got them into Ontario in the first place. So thank you. We'll be taking this one forward.

Mr. Vincent Wong: Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you. If you have any further written submissions, you have until 5 p.m. on January 20.

Mr. Vincent Wong: Thank you very much.

ONTARIO NURSES' ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our next witnesses are from the Ontario Nurses' Association.

Ms. Linda Haslam-Stroud: Hi.

The Chair (Mr. Peter Z. Milczyn): Good afternoon. You have up to 10 minutes for your presentation, following which there will be questions from the government side. As you begin, if you could please state your name for the official record.

Ms. Linda Haslam-Stroud: Thank you very much. My name is Linda Haslam-Stroud. I am a registered nurse and president of the Ontario Nurses' Association, which represents 62,000 registered nurses and allied health professionals across Ontario in hospitals, long-term care, the community, industry and clinics. With me today is our government relations associate, Lawrence Walter, and I have with me two of my board members today, Anne Clark and Cathryn Hoy.

In a speech that Minister Hoskins made at our biennial convention in November, just a few weeks ago, he said the following: He said that for "patient care needs to be met, and for patients to feel that they are heard and confident in the care they are receiving, every nurse they come into contact with has to feel respected and empowered in their workplace. Every minute of every day." Unfortunately, I'm here to tell you today that at the present time, Ontario nurses, especially registered nurses, are not feeling empowered or respected in our workplaces. In our submission, which you have before you, on the first page, you will see a number of priorities that we've identified for your ease of reading.

But I wanted to talk to you mostly about funding and funding in the hospitals. Funding models have actually driven decisions to eliminate and erode registered nurses across the province. If you aren't aware, the ratio of RNs to population in Ontario is actually the worst in Canada. We used to have the second-worst; we now have the prize of the worst in Canada. That is very discouraging news.

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On a positive side, I have to say that I wanted to thank the government and the minister for improvements to the new grad guarantee program that have just been announced and that will be implemented in April, and also the modest increase in hospital funding. I say "modest" because it is a modest increase in hospital funding, and I'll talk a little bit more about that. That has been absolutely critical for us in the hospitals, as we really feel that we've been starved for over four years. We believe that the hospital budgets are actually being balanced on the backs of the nurses of Ontario—registered nurses, specifically, in Ontario—and, of course, of our patients. There's actually extensive compelling literature on the relationship between higher RN staffing levels in the hospitals and improved patient outcomes.

Yes, I wear my hat as representing registered nurses, but I'm a nurse, and I want to make sure that our patients are appropriately cared for. I don't want to see higher death rates, increased acquired pneumonias or unplanned extubations, which means, if you're in the intensive care unit, you pull out your breathing tube and you now are not breathing. I used to be 1 to 1 with you as a patient; I'm now 1 to 3. We are having additional extubations

taking place, and the research is clear that having fewer registered nurses is increasing these kinds of situations.

Failure to rescue, for you that aren't in the hospital and health care field, means that we didn't save your life: You stroked, you had a pulmonary embolism, you had a cardiac arrest, and we unfortunately did not get there in time for you. When we look at infections in blood-streams, when we look at shorter lengths of stay and decreasing readmission rates, the evidence is very clear that increasing RNs actually provides improvement to our patients. We also know that there are increased urinary tract infections; rates of pneumonia, as I mentioned; deep vein thrombosis—that means clots, in many cases, a pulmonary embolism will actually lead to your death; GI, or gastrointestinal, bleeding; shock and cardiac arrest. At the end of the day, or, as I might say "the overnight shift," patients' lives are saved with improved RN staffing.

We're asking the government and all of you to really look very closely at what you're doing with your funding in the hospitals as you're looking at the finances for the upcoming year. We have to be fiscally responsible, absolutely, but we want to ensure that our patients do not continue down this negative road. We're also asking the minister to define the role of what we expect RNs to be in health care—the vision for patient-centred care.

The Ontario Auditor General's report has been very clear. It actually provides some timely evidence for us in relation to what we maybe should be needing to do in the funding for 2017 in relation to RN staffing. He indicated that the RN workload is heavier in Ontario than internationally in best practices. He indicated that we do not have nurse-patient ratios like some other jurisdictions. The research, as you know, shows that a nurse-patient ratio of 1 to 4 is probably the best for patients in our hospitals, in medical units and/or surgical units. When we look at what his findings were in community hospitals, we were looking at highs of 1 to 6 during the day, 1 to 7 during the night and, in large hospitals, 1 to 9 overnight. He identified, actually, the comprehensive research that we've given you time and time again which shows that every extra patient added to my workload as an RN increases your or your family's or your friend's death rate by 7%. That sounds like a hard statistic, but we're living it each and every day as we're trying to provide quality care to our patients. The lack of funding was the reason that was identified for some of the cuts that we have actually been seeing in registered nurses across the hospital sector.

The Auditor General also recommended savings that could be found with appropriate RN staffing. He talked about agency nurses and the high costs—27% higher in one particular hospital that he looked at. He said there was an increase of 335% or \$2.5 million—this is one hospital—in relation to agency nursing for the emergency department from 2011 to 2015, so in four years. This is the kind of money that we believe should be invested in front-line care providers so that our patients get the care that they deserve. Agency nurses—I could really go on

forever. I think any of you who were here for the SARS crisis are very clearly aware of the impact of having that kind of precarious work and agency staffing and what that did with the transmission of SARS across Ontario, unfortunately.

At the end of the day, when you look at the auditor's report, you can also see the overtime and the sick day increases that are unfortunately happening. We're getting tired. We're being called in for overtime after overtime, but the base staffing that should be there in the operational budget has been frozen and/or reduced as a result of the cuts in funding.

Overtime: \$6 million is one of the examples in just two units of one hospital that the auditor found. That could have actually hired 31 more full-time registered nurses or 51 part-time registered nurses. That impacted the quality of our care. The high patient ratios mean higher overtime costs and higher sick leaves because of the extensive wear and tear on the existing nursing complement. Unfortunately, the average age is around 47 in nursing. We're not getting any younger. We're hoping to encourage the young of today to come into the nursing profession, but we need to do a little bit of an improvement here, I think, before we're going to have that happen.

You will also see that the RN share of nursing employment in Ontario is reducing. It fell from 76.4% in 2003 to 69.8% in 2015.

In our submission that you have before you, you will see—I believe it's on page 9 and continuing—some of the examples of the cuts. Nearly 1,600 RNs have been cut out of the hospitals in the last 23 months. Some of them are familiar to you because they're in your ridings. I'll just go through a few of them for you.

Sarnia: 75 positions in the last two years in emergency, intensive care, geriatric medicine, and maternal infant/child—our labouring mothers and our newborn babies.

Windsor Regional Hospital: 183 registered nurse positions in the last two years in some of these very high-risk areas of intensive care, neonatal intensive care, ICU, emergency surgery.

Grand River in Kitchener: 62 positions, two nurse practitioners. Why? There's a funding issue here. The nurse practitioners are funded under the global funding of the hospital, and the doctors in emergency want to be able to bill. They bill per patient. They don't want the nurse practitioners seeing those patients and taking away their billing. I'm sorry to have to say that. We work very well with the physicians. But we also have physician assistants who are working with the physicians, who are not regulated under RHPA, the Regulated Health Professions Act, and they are also doing some of the work of the physician that the nurse practitioners, who are fully knowledgeable and credentialed and registered, could be doing and saving a heck of a lot of money to the system.

Hamilton area: Hamilton Health Sciences, Joseph Brant, St. Joe's, unfortunately—I'm from St. Joe's in Hamilton. These are the feeder hospitals for my area,

which is also MPP Toby Barrett's area, the Haldimand area. These are our feeder hospitals, where we're getting cuts in dialysis, in neonatal intensive care, in kidney function areas.

In the Toronto area, it goes on: William Osler, Trillium, Mount Sinai, Runnymede—they cut half the RNs at Runnymede hospital a year ago—Sunnybrook, University Health Network, Humber.

In the greater Toronto area, we have Southlake, Scarborough General, Rouge, Lakeridge—494 RN positions in the last five years. That's nearly one million hours of care that we could have been providing our patients.

The Chair (Mr. Peter Z. Milczyn): I'll stop you there. That's 10 minutes.

We have questions from the government side. Ms. Hoggarth.

Ms. Linda Haslam-Stroud: Sir, would you mind if I just said one comment, just to finish?

The Chair (Mr. Peter Z. Milczyn): We have a pretty hard time to get out of here.

Ms. Linda Haslam-Stroud: Yes, I know you do.

Ms. Ann Hoggarth: Go ahead.

Ms. Linda Haslam-Stroud: I'd just like to point out that the first page of the priority sheet also identifies hospitals, long-term-care, community, and it also talks about violence. I know you've already seen this, but I just wanted to identify that that is there again. That tells you about the significant violence that we're facing.

Ms. Ann Hoggarth: Thank you, Linda, for your presentation. Nursing is very important to me because in my mother's family and my father's family we're all either nurses or teachers. I'm a teacher, but I also was a union leader. You advocate very strongly for your members, and I thank you for that. My mother did the graveyard shift always in the—

Ms. Linda Haslam-Stroud: The night shift?

Ms. Ann Hoggarth: Yes. She did the night shift with the babies in the nurseries, and she loved what she did. At 91—we didn't know she was dying—she would still try to stand up when a doctor came in the room. She was educated at St. Joseph's here. Both of my kids were born at St. Joseph's in Hamilton. I'm adopted and found out after that that I was born in Hamilton as well.

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Ms. Linda Haslam-Stroud: It's a great city.

Ms. Ann Hoggarth: Anyway, I thank you very much for your presentation. I know how you are advocating very strongly for your members.

Thanks to the successful implementation of Ontario's nursing strategy, our government has helped to increase the number of nurses working in Ontario. In fact, since 2003, more than 26,300 nurses have begun working in Ontario, including 11,000 registered nurses. Over the past year alone, there were 2,800 additional nursing positions reported across all of the nurses' categories and health care sectors. As a government, we are committed to supporting nurses in Ontario and hope to continue building on our successful partnership.

Can you speak to how Ontario's nurses and our government can continue to work together to deliver the best health care outcomes for Ontarians, please?

Ms. Linda Haslam-Stroud: Absolutely. I think the stats are showing a reduction in the RNs. The registered practical nurses are increasing now over the last couple of years.

What I think we need to look at is that, first of all, for hospitals we have higher acuity levels now that we're moving our patients out into the community. So our acuity levels are increasing, and we've been trying to get hospital funding under control. I've been around for 40 years and so I've been on all of the committees for that, so I can say to you that hospitals are working very hard at that, but we do need to have some funding that's going to be able to provide that continuity for the acute patient.

When we move that patient out into the community, I would suggest that, working with the government, with our local health integration networks and with our CCACs that are now moving into the LHINs, we're going to need to look at how we're going to be able to provide a full level of care for our patients in the community. Right now, I feel it's very chockablock. What you're seeing is many different layers where costs are arising out of what's not really front-line care.

When you look at the privatization of community care in home care, as an example, there are many different levels of for-profit that we believe could be better utilized and be reinvested. Why couldn't we have our local health integration networks/CCACs actually doing the provision of home care so that we don't have five people to tell the story to; we have one person? We intake our call from our patient or a hospital and we then provide the care to go out, instead of these different layers. That's one area that I think would be helpful.

Another area would be public health and looking at trying to work with our communities in public health, because if we can prevent illness, we can save the costs to the health care system, but we can also make it a healthier community, which is what our real goal is, along the way.

The last thing I would say is that our elderly—and I know it's on the front page of the paper more often than not recently—in long-term care are a huge challenge. Health care is a costly venture, but it's one that I know the public wants. For our elderly in our long-term care, we maybe need to step back and think about how we can provide excellent care for our elderly in the situations that we have, both in the community and in actual residences and facilities. Working with any committee on that would be helpful.

Lastly, I'll say: violence. If you look at the data, you can look at the cost that this is causing our health care system. I can suggest to you that there are many ways that, if we can stop the pummelling of our nurses in the health care system, that money can be reinvested into our patients, which is our priority.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. That's all of our time for today. If you have any further submissions, you have until 5 p.m. on January 20.

Ms. Linda Haslam-Stroud: We do. And thank you, this late in the day.

TORONTO REGION BOARD OF TRADE

The Chair (Mr. Peter Z. Milczyn): Our next witnesses are from the Toronto Region Board of Trade. You have up to 10 minutes for your presentation, followed by five minutes of questions from the official opposition. If you could please state your name for the official record; you know how this works.

Mr. Jeff Parker: Good afternoon, Chairman Milczyn, honourable members and, of course, our friendly and helpful legislative staff. My name is Jeff Parker. I am the policy manager with the Toronto Region Board of Trade. Thank you for providing me the opportunity to appear before the committee today to present the board's position in your pre-budget consultations.

The board is the chamber of commerce for Canada's largest urban centre, connecting more than 12,000 members representing 250,000 professionals and policy-makers in the Toronto region. The board seeks to make Toronto one of the most competitive and sought-after business regions in the world. We have developed a robust policy agenda focused around the priorities of trade, transportation, talent and energy. I will be concentrating on the first three areas today.

On trade: The board has long advocated for the free movement of people and goods, and we were encouraged by Ontario's support of the Comprehensive Economic and Trade Agreement with the European Union. The board's support for trade goes beyond simple advocacy, though, as we encourage Canadian companies to export globally through our Trade Accelerator Program—TAP GTA, for short.

With only 5% of export-viable companies in Canada exporting internationally, the board has worked with its partners, through the TAP GTA program, to assist small and medium-sized enterprises with accessing international markets, particularly in the emerging markets sector. Approximately 100 companies have already completed the program, and many are expanding rapidly to meet the opportunities provided by international trade.

While TAP GTA is already a success, the provincial government has an opportunity here to partner with the board of trade to assist companies in entering international markets. In addition to working with TAP GTA to encourage Ontario businesses to be export-oriented, the board requests that the government embed market sector consultants from the Ministry of International Trade within the program.

While encouraging international trade and investment is obviously an important focus for the board, interprovincial trade remains an underrated and underappreciated opportunity for Ontario. The government should put a greater focus on removing barriers to the free movement of goods and people across provinces. We would suggest that this includes examining membership in the New West Partnership, which has already reduced interprovin-

cial barriers to trade and labour mobility between British Columbia, Alberta, Saskatchewan, and soon Manitoba, who will be joining shortly.

On transportation: The board has campaigned for many years for a serious investment in transit to get people and our economy moving. We are a strong supporter of government action on the Big Move and the plan to provide billions in new funding for transit lines in the Toronto region.

But while the government has taken the first and most important step to provide needed funding for transit, more must be done to ensure that these projects get built on time and on budget, as well as improve the functioning of our transportation system.

To achieve this, the board recommends the following measures:

(1) While the government should always exercise due diligence through environmental assessments and community consultations, these processes should not be used to delay funded shovel-ready transit and infrastructure projects. The streamlined environmental assessment process for transit sets a six-month deadline, and the board requests that the province report back on whether assessments and consultations are exceeding this deadline and how we can meet these deadlines in the future.

(2) Now that Presto is being rolled out across the TTC, Metrolinx should use the fare card to achieve better customer service and system integration using the data management and pricing features of Presto.

(3) While much of the focus in transportation has rightly been on the movement of people, the movement of goods is also a critical aspect of our transportation network and our economy. The board is about to embark on a study of the movement of goods in the Toronto region, and we would like to invite the province to work with us and develop policies that will reduce congestion and improve the economy.

On talent: To ensure that our infrastructure projects are remaining on track and to maintain the Toronto region's competitiveness, the board released a report on construction sector jobs in October entitled Building Infrastructure, Building Talent. Working with the industry stakeholders, the board prepared a 15-year forecast for our region's labour market needs in this sector. The board estimates that 147,000 new construction-related jobs will be created by 2031 in the Toronto region alone because of new investment and retiring workers. Moreover, the board projects that 70% of these positions will command an hourly wage that is more than double Ontario's minimum wage. This is a generation of jobs, and I urge all members to read the full report.

The province should ensure that these job opportunities are benefiting as many local residents as possible. Considering that youth and newcomer unemployment in the city of Toronto now exceeds 20%, helping as many of these individuals as possible find work in the construction industry should be job number one.

To achieve this, the following must happen:

Step 1: We need to provide improved pathways to employment for the highest-in-demand occupations. Five

of the top 10 most in-demand occupations forecasted by the board require certification in a skilled trade. The Ministry of Advanced Education and Skills Development should work with the council of trades and the MaRS Solutions Lab to redesign the certification process for these trades and be prepared to lower apprenticeship ratios if needed.

Step 2: Educate Ontario students and parents about forthcoming job opportunities. This can be achieved through a regional advertising campaign informing residents of the opportunities available. In addition, the government can help empower students and parents with robust career information through their high school guidance counsellors.

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Step 3: Connect infrastructure companies with community organizations. The government should map out the existing community organizations working with residents to build skills or secure employment in each of the province's regions. This asset mapping should be part of any future community benefit agreements. This is a win-win to connect job creators with those helping people find new jobs.

Finally, the board remains concerned about the province's fiscal outlook. While the government may be able to achieve its promised goal of a balanced budget in 2017-18, analysis from the Financial Accountability Office suggests that this may be only a temporary achievement. In the most recent outlook, the FAO forecasts that the province will run ever-increasing deficits from 2017 through 2021. The Ministry of Finance's own estimates forecast surpluses of less than \$1 billion in 2017-18 and again in 2018-19, which suggests a very small margin of error, even in this more optimistic projection.

Given the uncertain global and national economic environments, the board believes that fiscal prudence is the most sensible strategy for Ontario. Until recently, the government shared this commitment to prudent budgeting, with its position of net-zero bargaining with the public sector and a promise to find areas to eliminate waste. The board was concerned by Premier Wynne's statement in September that the net-zero provision on new public service sector contracts would be suspended. The need for this discipline has not ended, and we urge the government to return to net-zero bargaining for the near future.

If the FAO's forecast is correct, a continued emphasis on wage restraint will allow Ontario to achieve balanced budgets. If, however, growth exceeds projections and the province finds itself with a surplus, these funds can be reinvested towards needed infrastructure or improve the province's debt-to-GDP position.

The board will expand on all of these positions in a comprehensive written statement that we will submit in January. In the meantime, I am happy to answer any questions you have.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Mr. Fedeli?

Mr. Victor Fedeli: Jeff, I must say it's a delight to see you on that side of the table, instead of this very chair where you had been for years.

Mr. Jeff Parker: It's a different feeling. I don't have the Clerk or the Chair to bail me out if I'm in trouble.

Mr. Victor Fedeli: Congratulations to you and to your 12,000 members who you're here representing today.

I'm going to hit on a couple of quick points. Inter-provincial trade: Where I live, in Nipissing, we have a real issue with being so close to the Quebec border, where Quebec contractors can come and work on the Ontario side and Ontario contractors can't cross the border and work on the Quebec side, for the most part. Where do you see interprovincial trade being an asset to the Toronto board of trade? In any specific area?

Mr. Jeff Parker: The board believes that when we have the free movement of people and goods, when contractors and skilled tradesmen can work across jurisdictions, you're going to get the best quality of product at the most efficient price, and that's good for the economy. That's good for building infrastructure. That's good for building houses. It's generally an improvement to every aspect of the economy. When we look at where this benefits Toronto, it means that if we need expertise in a new infrastructure project, we can bring that in from wherever it comes from in Canada, and we think that's a benefit to the economy.

Mr. Victor Fedeli: You spoke a lot about the skilled trades. I have to say, I commend you for that. You talked about an education program for not only the students but the parents. Again, I commend you for that.

Can you just repeat the number that you mentioned—I didn't get to write that down—on construction-related jobs? It was a big number.

Mr. Jeff Parker: The study that we did in October found that we're going to have 147,000 new job openings, and that's in the Toronto region alone; that's not across the province of Ontario. That's going to be about 118,000 new workers from new infrastructure projects that will be created, as well as 29,000 that will replace existing retirees—so in the next 15 years, a lot of jobs.

Mr. Victor Fedeli: While I really appreciate this emphasis on skilled trades—it is just so vastly important—I didn't hear you mentioning other sectors, like the film sector or the financial sector. Can you just describe why the focus was here?

Mr. Jeff Parker: Well, we wanted to do a detailed labour market analysis, and that takes a lot of time and a lot of resources. We wanted to focus first on a single sector where we thought the opportunities were there, but they weren't getting enough publicity. We feel that a lot of people—especially when you talk to other parents, as a parent myself—don't always know that there are really good jobs and really good opportunities in construction. Not only is it good for them, it's essential if we're going to complete our new transit projects and infrastructure projects. So it's bringing together both the needs of the

province and the economy, as well as the needs of families and parents.

Mr. Victor Fedeli: We absolutely agree on that: matching the skills gap by teaching the kids what they need to learn for the jobs that are actually available in Ontario. I'm glad to hear that.

Obviously, the fiscal outlook—you've got the fall economic statement versus the Financial Accountability Officer. It was interesting that in the month of November alone, we had not one, not two, but three completely separate reports from the Financial Accountability Officer, all saying the same thing: You're not going to balance in 2017-18. In fact, you're going to see a deficit of \$2.6 billion. And you're not going to have surpluses after 2017-18; you're going to see it growing, all the way to \$3.7 billion.

You reiterated one of his comments, that the government is forecasting a very slim surplus at best. What are the threats of that, in your opinion, should the FAO, the independent Financial Accountability Officer, be the one who proves to be correct in this battle of words?

Mr. Jeff Parker: We know there's always uncertainty in future financial projections, which is why, like I said at the end of my statement, you can hedge this. If you're prudent now, you can avoid running bigger deficits in the future, avoid worsening our debt-to-GDP ratio and the interest payments that we're already paying.

In addition, though, if the FAO is a little too pessimistic, having a surplus right now is not a bad thing. We have massive infrastructure needs that need additional investment in the province of Ontario. We have a large debt that we could be paying down. There are a lot of things that that money can go to. So prudence, as we suggest, in terms of wage restraint, is the best way forward for Ontario's fiscal situation.

Mr. Victor Fedeli: You mentioned debt-to-GDP; you brought that topic up. Hitting 41% is a far cry from the 39.6% that was forecasted. I'm betting on the FAO being the person who brings the right numbers to the table.

The Chair (Mr. Peter Z. Milczyn): That's all of our time for this afternoon. Thank you, Mr. Parker. As you know, you have until 5 p.m. on January 20 for further written submissions.

Mr. Jeff Parker: Wonderful. Thank you, everyone, for letting me appear.

The Chair (Mr. Peter Z. Milczyn): Thank you.

RESIDENTIAL AND CIVIL CONSTRUCTION ALLIANCE OF ONTARIO

The Chair (Mr. Peter Z. Milczyn): Our next witnesses are from the Residential and Civil Construction Alliance of Ontario. Good afternoon, gentlemen. You have up to 10 minutes for your presentation, followed by up to five minutes of questions from the New Democrats. Please state your name for the official record.

Mr. Andy Manahan: Thank you very much, Chair Milczyn and members of the committee. My name is Andy Manahan. I'm the executive director with the

Residential and Civil Construction Alliance of Ontario. We're a labour and management organization which represents contractor associations and major construction unions in and around the Toronto area.

I should say that we were scheduled to present here last Thursday, but we got bumped. That will be a sub-theme of my first recommendation, concerning reform of the municipal class environmental assessment process. It's a very important issue, and it was flagged last week by the Auditor General in her value-for-money audit. It confirmed what our members know already, and what the municipal sector has known for many years: that unfortunately, rather than facilitating many vital and often basic municipal infrastructure projects, the process has become more of a regulatory burden to the approval of what are referred to in the Auditor General's report as "streamlined assessments."

Although a more streamlined process is the intended goal of the municipal class EA system, many of the following projects take more than two years to complete studies, with appeals or bump-up requests adding even more time. I've provided a list there, but just to sum, it's primarily roads, sewers—very localized projects. We're not talking about complex projects where you're looking at siting a transmission line or something of that nature. They're much more minimal in terms of overall environmental impacts.

We first released a report in February 2009, but that report was under way in late 2008. It looked at EA reform, and we've basically been banging the same drum ever since. We have, from time to time, met with staff from the Ministry of the Environment and Climate Change and others. We're working very closely with the Municipal Engineers Association and many other municipal organizations across the province, trying to get reform to this very cumbersome, expensive and time-consuming process.

The Auditor General referred to a research report we did in 2014 entitled *Are Ontario's Municipal Class Environmental Assessments Worth the Added Time and Cost?* If you go to the back of your second-last page, there are a couple of ads from ReNew Canada that actually break down how long it takes and how it's getting slower in various regions in the province. When we did a study in 2010, it found that it took about 19 months on average to go through the class EA process. In the 2014 report, it was closer to 27 months. So rather than becoming streamlined, we're actually getting worse.

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The Municipal Engineers Association has identified scope creep as a serious concern, particularly for what are called schedule B and schedule C reports. Schedule A is the low risk and schedule C is the higher risk, which would be something like a sewer extension or a sewage treatment plant.

In many instances, the costs have tripled over the last decade. The last study that we did showed that the average cost was well over \$380,000 per study per project, compared to only \$113,000 four years earlier. So

costs are going up, as well as the time it takes to go through the process.

Duplication is another issue which plagues the system. A single project can be subject to two public consultation processes under the Planning Act and the class EA processes, as well as two appeal processes. For example, it could be appealed to the Ontario Municipal Board and what is called officially in the EA legislation a part II order, or a bump-up request. Despite the highlight that the Auditor General put on this, we have been working with the Municipal Engineers Association, and we hope to get a number of supporting letters from various organizations, to submit a section 61 Environmental Bill of Rights application, which will be submitted to the Environmental Commissioner of Ontario for consideration.

I'll just jump ahead. Two recommendations under this one: We would urge all members to support meaningful EA reform. I think the municipal sector and the industry have been waiting a long time for it. It really is bogging down the process to very little benefit, probably a negative benefit. Secondly, we call on the Minister of the Environment and Climate Change to follow through on his commitment to reform the EA system, which he committed to in early 2015; quite frankly, nothing has been done on it. It could be done in a staged fashion. Rather than the full EA reform, we could start with the class EA system first.

Our second issue is promoting municipal bridge bundling. This was an issue that was part of the guide for asset management that was released in 2012, where the ministry identified that municipalities could not benefit from the alternative financing and procurement process because you typically needed a threshold of \$100 million for those projects to proceed. We've been monitoring what's been happening in a couple of US states, Missouri and Pennsylvania. Those states have bundled very large projects. Missouri was over 800 projects, and we're talking about 570 in Pennsylvania. That approach is working very well in terms of standardizing things in terms of bulk purchasing and that sort of a thing.

The Wellington bridge study that was commissioned and released in 2013 found that potential savings under the AFP or P3 approach could be in the order of 13% to 20%. However, what we're saying is that this was more of a theoretical exercise. We would really like to do a trial bridge bundling project, but we think it would require provincial support and possibly federal support to go ahead. The municipal sector, as you probably know, is quite risk-averse, and although there are probably willing candidates out there, they need a little bit of support to move forward on this.

The final one—because I know I'm running out of time—is to reactivate Metrolinx's investment strategy. I was on the transit panel in the fall of 2013. That was kind of a follow-through exercise after Metrolinx released its investment strategy in the spring of that year. Unfortunately, the Premier in 2014, looking at a provincial election, used the mantra of no new taxes. While those working in the construction sector are generally pleased

by the number of projects which have been initiated over the past few years, the current model of funding projects from provincial revenues is not a robust way to deliver transit across the greater Toronto and Hamilton region, or across Ontario, for that matter.

Almost two years ago now, RCCAO submitted a letter to Chair Prichard and present CEO McCuaig which suggested that despite certain election campaign promises, "This should not dissuade the Metrolinx board from providing objective advice about the best way to raise the necessary revenues ... it is the board's fiduciary responsibility to provide unfettered advice on how to proceed even if there is an awareness that it might not be well-received or even implemented."

Lo and behold, I was on a panel two weeks ago in Oakville. Bruce McCuaig spoke passionately about the number of projects that Metrolinx is delivering right now, but he added that while he was happy that the government had decided to fund the current projects from general revenues, he was not naive enough to think that new revenue streams were not needed to fund future projects across the GTHA and beyond. In 2008, we heard about \$50 billion being required over 25 years to fund those projects. At present, we do not even know what the funding gap is. There was a report in August by a group that said that there's probably a hole of about \$30 billion.

We realize that the regional electric plan and some other projects might skew the figure, but we would like more transparency from Metrolinx, and we would also like all parties to think boldly about where future revenues will come from. We really can't afford sound-bite tactics of "cut the waste" or "find more efficiencies" to generate the hundreds of billions of dollars that are needed over the next few decades for Ontario's critical infrastructure. In addition, we think that the Metrolinx board has been a bit lax on this, so they need to revisit the investment strategy and provide that advice to the province on where we need to move forward.

I'll just leave it there because I know I'm probably running out of time.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Ms. Fife.

Ms. Catherine Fife: Thank you, Andy, for coming in and for being consistent in some of your asks of the government.

You did reference around the environmental assessment and the approval process that the Auditor General indicated last Wednesday, I think it was. It was shocking, actually—even the fact that "over 200,000 approvals issued more than 15 years ago have not been updated to meet current environmental standards."

"A significant number of emitters may be operating without proper environmental approvals..."

"The ministry's monitoring efforts are not sufficient to prevent and detect emitters that violate regulatory requirements and therefore pose a risk to the environment and human health." Even the "penalties levied by the ministry often did not deter repeat offenders."

This needs to be overhauled. You said—when did the minister promise to do a full review or a full reform?

Mr. Andy Manahan: I looked at QP Briefing, which was March 3, 2015. That quote was in there, that he was going to do a full consultation.

Ms. Catherine Fife: Well, hopefully this report does prompt him, because as you know, there is a ministry response in the report. The ministry, obviously, says that these things are ongoing, but they're outdated—for years now.

You mentioned that municipalities are risk-averse. It's interesting to me that, even after last week's Auditor General's report around some of the inconsistencies and very poor decision-making from Metrolinx, you would urge Metrolinx to have any greater power or any greater advice to this government about how to find investment. Do you really think that that is the best course of action, Andy? Because if you read last week's Auditor General's report—I just have more questions about Metrolinx, period, full stop.

Mr. Andy Manahan: I think Metrolinx is going through an evolution. I didn't get into other recommendations that we've put forward in past research, but we believe that a governance overhaul is required. In the early days, there used to be primarily a board that was representative of the municipal sector. We think a hybrid board, for example, with some private sector citizens with specific skill sets as well as municipal politicians that—in terms of revenue, you need that accountability. People vote democratically for politicians to make those sorts of funding decisions. So whether it's an offshoot of the board or some hybrid model, I think that needs to be seriously looked at.

Ms. Catherine Fife: And you think that should fall under their mandate. You mentioned that, that their mandate is to provide funding advice to the government.

Mr. Andy Manahan: Yes. The way it was described to me, by someone that really knows about governance, is that you cannot have a CEO that reports both to a board of directors and to Queen's Park. It's untenable.

Ms. Catherine Fife: Well, definitely something has gone off the rails, for sure.

Your final comment is that municipalities should combine the Environmental Assessment Act and the Planning Act requirements into joint public consultations instead of being done separately. What are the obstacles and barriers to this actually happening?

Mr. Andy Manahan: I should clarify that a little bit better. Municipalities are permitted to do that right now, but because of this double jeopardy of, for example, two appeal processes, they don't want to go through it. They could do a joint public consultation right now.

Ms. Catherine Fife: They could.

Mr. Andy Manahan: They could.

Ms. Catherine Fife: But they choose not to.

Mr. Andy Manahan: They choose not to.

Ms. Catherine Fife: So you want the government to ensure that they do. What is your ask? I need clarity—

Mr. Andy Manahan: Not necessarily an ask. Let me give you an example. Schedule A, the low-risk projects—and this is of very serious concern for the Municipi-

pal Engineers Association and across Ontario. MEA was loath to point it out because they were concerned that a member of the public could do a bump-up. With schedule A, one of the issues is winter maintenance, which includes snow clearing and salt removal. If you had a vexatious member of the public who decided to make a bump-up request, we've seen from the Auditor General that, on average—because it goes to the EA director, the ADM, the deputy minister and then finally the minister—it would take seven months to get approval.

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Now, any rational member of a municipal organization would say, "You know what? We're willing to take the chance. We're going to go ahead and do our snow maintenance because we're concerned about the liability of someone killing themselves on a slippery road." We raised that issue with staff in the spring of 2015 for MOECC and they said, "Well, it hasn't happened yet so it's not a concern." I was flabbergasted.

Ms. Catherine Fife: That's a risky statement, right there.

The Chair (Mr. Peter Z. Milczyn): That's all of our time. Thank you, Mr. Manahan.

Mr. Andy Manahan: Thank you very much.

The Chair (Mr. Peter Z. Milczyn): You have until 5 p.m. on January 20 for further submissions.

Mr. Andy Manahan: I appreciate it.

IMAGES 2000 INC./NORTHWOOD COLLECTION AND SUPERSTYLE FURNITURE

The Chair (Mr. Peter Z. Milczyn): Our next witness is from Images 2000. You have up to 10 minutes for your presentation, followed by questions from the government side. If you could please state your name for the official record as you begin.

Ms. Tara Oskooei: Yes. My name is Tara Oskooei. I am from a company called Northwood Collection and Images 2000. I'm here with our controller.

Mr. Ed Tamasauskas: My name is Ed Tamasauskas.

The Chair (Mr. Peter Z. Milczyn): Could you speak closer to the microphone, please?

Mr. Ed Tamasauskas: Sorry. My name is Ed Tamasauskas.

Ms. Tara Oskooei: Thank you very much for inviting us. We really appreciate your time. I know it's the end of the day and you really want to go home now.

Our company is Images 2000/Northwood Collection, as I mentioned. We're a design and manufacturing company that's been around for 35 years.

The Chair (Mr. Peter Z. Milczyn): We're just having trouble hearing you.

Ms. Tara Oskooei: Is this okay?

The Chair (Mr. Peter Z. Milczyn): Yes.

Ms. Tara Oskooei: We're a design and manufacturing company that's been around for 35 years, with our base in Etobicoke, Ontario. Over the years we've built a very strong brand presence, we believe, in Canada and

the US. What we do is we develop unique and exclusive home products for furniture, department and home renovation centres across North America. We design customized products for the home, including artwork, decorative mirrors, shelving and furniture.

Our products reach very diverse markets, from small, owner-operated stores to thousand-store retailers. We make 99% of our products in our three factories in Etobicoke, which feature around 300,000 square feet of manufacturing space today. People are a very key part of our business and we wanted to just share a very short, one-minute clip of who the people are that we're talking about and the environment that we operate out of.

Audio-visual presentation.

Ms. Tara Oskooei: I generally don't like to use labels to describe things or people. I've learned that that's not good. But if I was to leave you with one label to kind of put together the picture of what we do and what we're about, it's that we're the makers in an economy. In an economy that has service providers—you have social causes that you have to attend to; you have health and things like that—we're the maker portion. We're the manufacturers.

I'm speaking on behalf of myself. It's a family-owned business, like I said, for 35 years. My father and my mother started it. They came as immigrants to this country in the 1970s. Now, today, myself and my two other sisters are what you'd call the successors.

Today, the reason I'm here is because we're forced to sort of step out of the shadows—we really never come into the light like this—because we really do need to seek help from your group for not just our company but the people that we represent, the 100 people or the 300 families, and also 200 other core manufacturers that are in our specific sector of home furnishings in Ontario.

But before I frame the problem for you—I'm going to do it really quickly. I can understand that the scope of what you're dealing with is quite intense, because I listened to everyone who presented to you. It's very complicated, because a lot of the people who are here are not exactly on the field. They're operating at high levels, but we're on the field. That's one main difference that I just want you to remember about us.

If I was to frame the problem for you, at the present time—and it's something that has happened for the past eight years in Ontario—there's a shortage of people to work. I say this in the most respectful way possible: I do not care what anyone says to you, but I'm just asking you to consider that there might be an imperfect understanding of what's happening out there. There's a shortage of people to work. It's an epidemic right now, because it's widespread, and it's very obvious.

We can't find anyone to work in our trade. We have a factory of 100 people, 300,000 square feet, and if you ask me how I'm staffing my factory, I will be completely not exaggerating if I tell you it's purely from people walking off the street into our building. We put yellow "help wanted" signs at the curb every day, and these people walk in, and we hire them. I don't care what their

resumés are; I don't care what their background is or where they come from. I really don't even care that they don't speak English. We hire them, because we have no choice.

The conundrum is that there's no shortage of work in Ontario. There are people who want your products. They want products from Ontario. We have demand to fill. We just can't fill it, because we can't maintain a stable workforce.

I wasn't able to make 25 copies of this for you.

When I describe that we don't have a shortage of demand, we have work; we have orders. I can give you a very perfect example. This is a contract from Ikea of Sweden. It represents 240,000 units of annual production of the products that we make. Over a five-year period, that's worth \$5 million. I had to turn it down, because you can't accept a 240,000-unit contract when you can't maintain a stable workforce. You can't. It's illegal, right? You'll be penalized if you take a contract with Ikea and you don't fill it.

You wonder, why does Ikea want to give me a 240,000-unit contract? Because someone in Sweden, sitting in their chair, has decided that they want to reduce the global footprint for Ikea, so they're hunting for manufacturers in Canada to fulfill demand for the home décor section of Ikea business for all of North America. But we can't take it. We turned it down.

If I were just to frame one more image for you, you wonder how we are producing for the people that we do have orders for, like Lowe's Canada, Home Depot, Rona, HomeSense. We have a workplace—I showed you the image of it. It's about 100 people. We have 30% turnover a year. Some 80% of our workforce are Tibetans. There's nothing wrong with Tibetans. I love Tibetans. I went to Tibet when I had a crisis in my twenties, and I found part of myself. The thing is, it's very hard to make things that require skill—not a lot of skill, but a little skill—when you can't communicate. It's not their fault. But they are the only ones who are willing to work right now. There's nobody else.

So you wonder how we're getting things done? Managers are performing routine factory work—managers. That has worked for us for the past eight years, but it's not working anymore because the managers are the boomers and they're retiring. Not only can I not find people to do routine work; I can't find three or four people to do the work of those managers.

So there's a mismatch of what you think is available in terms of labour and people not being employed to what manufacturers need—

The Chair (Mr. Peter Z. Milczyn): Sorry, that's your time.

Ms. Tara Oskoeei: Really?

The Chair (Mr. Peter Z. Milczyn): Yes, but we do have questions now.

Mr. Baker.

Mr. Yvan Baker: Time flies when you're talking about something that you're passionate about.

Let me ask you a question, and then feel free to elaborate, if you like, to finish some of your thoughts. We've

got five minutes. My question is, are you currently getting help from any kind of government program for your company at all?

Ms. Tara Oskoeei: No, nothing at all. Never. We've been self-financed.

Mr. Yvan Baker: I know that there are programs that, for example, try to assist—you talked about the newcomers and the communication issue. I know there are government programs that offer English-as-a-second-language training and that sort of thing. Are any of you—

Ms. Tara Oskoeei: Mr. Baker, I've read all the programs. None of them are designed to fit the manufacturing sector—none of them. I've explored all of them. I've been to the offices of two ministries: MEDG, MAESD. They're not designed for it. It's not their fault; they're not designed with the intention of the manufacturing of home furnishings in Ontario. If a program is not designed for you, you naturally don't fit into it. I've applied to four programs; we've been rejected from all four.

There's another handout that you have; it's blue. I did that graphically for everyone. That's what is supposed to illustrate where the funding is going: for high-tech and high-skill. I just want to tell you that 90% of the economy is never going to be high-tech and high-skill—never. You need to have a stable base of manufacturing that can employ people who are not high-tech and not high-skill. No one is looking at that problem. Not just Liberals—it's not just their problem. It's a global human capital crisis. We have to look at the problem and work the problem. I'm not asking for anyone to solve it, because I'm pretty sure that no one in this room can solve it. We couldn't solve it, and we're living it every day. We have to work this problem.

The one thing that I need and the people in this sector need is immigration. I'm sorry if that's a word that people might not like, but we need immigration from skilled regions. I apologize. I don't mean to discriminate against the Canadian workforce. We need immigration if you want manufacturing to exist in Ontario. You have to deal with that reality. If you want us to employ youth and look at other things, we will, but that can't be the primary source. That's not the solution; it's part of it, but the other big chunk of it is immigration for Ontario.

There's one more sheet—

Mr. Yvan Baker: Can I ask you a question? You're making great points, but I want to ask, because we only have—how much time do we have?

The Chair (Mr. Peter Z. Milczyn): Two minutes.

Mr. Yvan Baker: We have two minutes. I'm going to ask a question, and if you want to go on and talk about other things afterward, that's great. Let me ask this, because this is what this committee needs to hear—that's a helpful suggestion. If you were sitting in our shoes, what kinds of programs would you put in place to support small manufacturers?

Ms. Tara Oskoeei: Number one is immigration. I talk to companies, and we don't want your money. Honest to God, we don't want your money. If you want to be smart

and reallocate it—if you want to reallocate it, I'd say you're brilliant. We don't want your money.

I was speaking to the vice-president of Stylecraft Furniture in Vaughan. Vaughan is a manufacturing hub of furniture. One day you guys should walk around there. I said, "If you got \$500,000 from the government, what would you do with it?" They were like, "We don't want it. We don't want the money. We just want people, because if you give us the money we have no one to spend it on." They need people.

The second thing that you could look at, if you were open to it, is temporary foreign worker permits. You guys opened it up for the tech sector for cyber security, but there's no provision, there's NAICS code, for our sector. But why? Cyber security, fine, but we need foreign worker permits. It can't just be a federal problem. I need to know that I can go to Mr. Baker and Mr. Baker will put his stamp on my permit and bring the family that I need to work here. I need that.

Mr. Yvan Baker: I wish I could do that.

Ms. Tara Oskooei: I just want to say one more thing. When I say "shortage of labour," I just want to reframe the picture for you. We can't get general help. I made a list. If you turn to the back of this page—it's double-sided; this page—there's no one to load trucks or unload trucks. There are no truck drivers, material handlers, lead hands, supervisors. When I say "skilled workers," I'm not talking about that gentleman who was from the Toronto board of trade, I'm not talking about construction, with all due respect. I'm talking about woodworkers, machine operators, foamers, upholsterers; there's no one to operate power tools. They don't know how to use a power tool. There are no finishers, and the sub-trades can't find workers. The lead times that should be four weeks for manufacturers are now 13 to 16, so customers are like, "It's faster from China." They're

right. You're losing business to China, not because it's cost-competitive but because of time.

The Chair (Mr. Peter Z. Milczyn): I do have to stop you there. Thank you so much for coming in this afternoon and waiting so patiently.

Ms. Tara Oskooei: I just want to say one more thing—is this off?

The Chair (Mr. Peter Z. Milczyn): She's my constituent—

Ms. Tara Oskooei: I'm just saying that my parents—I asked them to make investments to help us with this new economy thing. Everything is shifting to the millennials; furniture sales are going up. They told me, "Don't bother, Tara. Shut it down." That's a lot for your parents who put 35 years of life into it. They put aside their pride and ego, and they're like, "Shut it down." So we're going to in less than a year.

The Chair (Mr. Peter Z. Milczyn): Thank you so much.

Twenty-five years ago, I helped her parents with some zoning issues to get their factory up and running, so I know their struggles.

Ms. Tara Oskooei: I'm not an economist, but I did study economics. The wealth of a country is directly linked to your manufacturing output. You cannot change that formula. So if you don't stabilize your manufacturers that exist—even if it's 200. Don't grow your manufacturing sector. Don't grow it; just stabilize it. Stop them from shutting down. You'll have a chance. You can't spend on Jennefer's \$1-billion ask of welfare; you're never going to be able to. A \$15 minimum wage—

The Chair (Mr. Peter Z. Milczyn): I do have to shut the committee down formally; you can speak informally.

So thank you very much, everybody. The meeting is recessed until 9 a.m. in Dryden.

The committee adjourned at 1800.

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Legislative Assembly of Ontario

Second Session, 41st Parliament

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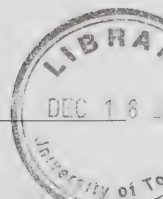
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Comité permanent des finances et des affaires économiques

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Monday 12 December 2016

Lundi 12 décembre 2016

The committee met at 0900 in the Best Western Plus Dryden Hotel & Conference Centre, Dryden.

PRE-BUDGET CONSULTATIONS

The Chair (Mr. Peter Z. Milczyn): Good morning, everybody. The Standing Committee on Finance and Economic Affairs is conducting its pre-budget consultations in the beautiful city of Dryden this morning. This session will also be live-streaming on the Ontario Legislature's website, so people across the province, if they're so inclined, could actually be watching the presentations this morning.

For each presenter, there will be 10 minutes for their presentation, followed by five minutes of questions from one of the caucuses. We'll start the questioning with the Conservative caucus this morning.

RESOLUTE FOREST PRODUCTS

The Chair (Mr. Peter Z. Milczyn): Our first presenter is Resolute Forest Products. Good morning, sir.

Mr. Steve Watson: Good morning.

The Chair (Mr. Peter Z. Milczyn): As you begin your presentation, please state your name for the official record.

Mr. Steve Watson: Good morning. My name is Steve Watson, and I'm the forestry manager for Resolute Forest Products in Ontario. I'd like to make this submission today. Thank you for the opportunity. I'll give you a little bit of background on our company, and then I'm going to talk about what we see as the five economic priorities for the 2017 budget and moving forward.

Right off the beginning, I'd like to remind everybody that forests are a sustainable, renewable resource, and I think that that can be extremely important, moving forward, for the province of Ontario. I think we can have a significant economic contribution moving forward.

Resolute Forest Products has a significant presence in the forest economy in the province of Ontario. We have a pulp and paper mill, a sawmill, a pellet facility and a cogeneration facility in Thunder Bay. We have a newsprint mill in Thorold, and we have sawmills in Ignace and Atikokan.

We've recently invested \$200 million in Ontario, and our operations are responsible for 1,800 jobs in our manufacturing facilities and woodlands, including haul-

ing. In 2014, we had an economic impact of \$365 million in payroll, benefits, taxes and investment.

It's important to note that in 2016, we have \$100 million in contracts with aboriginal contractors, and we've really focused on trying to provide economic opportunities to First Nations and Métis communities.

Right now, we're responsible for managing over six million hectares of crown land in northwestern Ontario under a sustainable forest licence, which is a pretty big area. If you look at the presentation, this is essentially a map of all of the sustainable forest licences in northwestern Ontario. The areas that Resolute is managing are shown in green, and the areas in yellow are areas where we've got wood supply commitments. We're essentially going from Beardmore all the way over to Lake of the Woods and up to Sioux Lookout, so it's a considerable area.

In terms of priorities, what we've identified as a first priority is maintaining fibre supply. The success of our company is dependent on reliable access to affordable fibre. Consistent with the Crown Forest Sustainability Act, we think it's important to strike a balance in forest management between competing objectives like protecting species at risk; maintaining biodiversity and old growth; sequestering carbon through well-managed, actively growing forests; and maintaining fibre supply and economic opportunities. I think what's critical here is the balance.

We are somewhat concerned about the wood supply impacts of some new and revised legislation, regulations and policy, particularly caribou prescriptions under the Endangered Species Act and the boreal landscape guide. Our request is that socio-economic impact assessments be carried out by the government on any new or revised legislation and policy prior to implementation, which is something that hasn't happened to date, and we think it's extremely critical in finding the balance.

As a follow-up to the first point, priority two relates to the Endangered Species Act. We think it's important for the government to commit to consult and work with the forest industry and affected stakeholders to develop a comprehensive Crown Forest Sustainability Act/Endangered Species Act equivalency initiative. We request that the government follow through on a commitment to form a multi-stakeholder panel to provide input into this initiative. What we're really saying is that the industry believes that species at risk, under the

Endangered Species Act, are being prepared under the Crown Forest Sustainability Act, under our forest management plans. We've been doing it for a long time, and it has been effective. We're looking for equivalency between the two acts, ultimately.

Secondly, we're asking for the government to develop, in co-operation with industry, species-at-risk prescriptions that are reasonable and workable through a section 55 rules-in-regulation policy mechanism. We also think the government should conduct a full review of the caribou conservation plan and other caribou policies.

Priority three relates to competitive measures. We think that the following competitive measures are essential. First off, the Ministry of Natural Resources and Forestry roads funding program: This is a program that has been in place for many years, and it has been extremely successful. What we're requesting this year is the creation of a two-tier model, first with the continuation of base funding at \$60 million. Secondly, we think that an economic stimulus fund of \$15 million should be available to SFLs who are returning to operation but do not have the harvest history to qualify for a funding allocation. This recommendation will support the economic development in northern and rural communities by continuing to invest in roads infrastructure.

Secondly, we're also asking for the continuation of poplar and white birch stumpage reductions. We believe that the fixed portion of crown dues for poplar and birch should be 50 cents a cubic metre, to make Ontario competitive with other jurisdictions in this regard.

The third point relates to the carbon cap-and-trade program. Our main concerns right now are in the post-2020 cap-and-trade program. Right now, the government has not shared their plan for what's coming next, and there is a potential for a significant increase in costs, which could ultimately affect our competitiveness.

Priority four relates to energy. We're asking that the government provide certainty by ensuring that the previously announced Northern Industrial Electricity Rate, or NIER, program be made permanent and ensure that it is adequately funded. We're also asking for the government to provide effective incentives that promote reinvestment into energy-efficient manufacturing equipment.

In the long term, the government must develop and implement a plan that reduces the marginal cost of electricity in the province to be in line with jurisdictions with which Ontario manufacturers compete.

0910

Priority five relates to softwood lumber. The US has launched another round of a petition under NAFTA. We have had one year, essentially, that's been free trade. We believe that Ontario deserves nothing less than free, unencumbered access to the US market, especially considering that a binational NAFTA panel had already found any subsidies to be de minimis a decade ago, which ultimately means that in Ontario, it's a market-based system, and any subsidies were essentially non-existent.

The US is now poised to impose punishing duties on Canadian lumber producers. What we're asking is that

the Ontario government continue to defend its stumpage and other programs as market-based. We ask that the government participate in and encourage the federal government to support the sector during this dispute—and we're talking about legal support, loan guarantees etc. I think the final point here is that we need to ensure that Ontario receives adequate market access under any new agreement, moving forward.

In summary, we believe Resolute continues to play an important role in creating a prosperous, sustainable, low-carbon economy in Ontario. We'd like to see reliable access to affordable wood. We feel that this is critical for local communities, aboriginal communities and the economy of Ontario. The company needs balanced public policy that provides for all three pillars of sustainability: economic, social and environmental. In the long run, the government must develop and implement a plan that reduces the marginal cost of electricity in the province of Ontario, to be in line with other jurisdictions with which Ontario manufacturers compete. Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. We now have five minutes of questions with the Conservative caucus. Mr. Miller.

Mr. Norm Miller: Thank you for your presentation. You've got a room of mainly southern Ontario MPPs, with a few exceptions here, so it's a good opportunity to talk about the positives of the forestry sector, I believe. There are a lot of people in southern Ontario who don't realize, especially, the environmental benefits of forestry.

But I wanted to focus for a moment on your priority two, "Develop, in co-operation with industry, species-at-risk prescriptions that are reasonable and workable through ... section 55 rules," and also the next point, "Conduct a full review of the caribou conservation plan...." Maybe you could talk a bit about that, if you could?

Mr. Steve Watson: Sure. Right now, when we're managing forests in Ontario, we have to develop forest management plans under the Crown Forest Sustainability Act and associated regulations and guidelines. These forest management plans, for many years, have included prescriptions and strategies for the protection of species at risk. Using caribou as an example, we have been managing to protect and promote the recovery of the species for over 25 years. It's consistent with the caribou conservation plan the government has developed, it's consistent with scientific input. What we've found is that these prescriptions seem to be working, and evidence of that is that caribou seem to be returning to areas that have previously been cut over, which is one of the primary concerns.

We've got an elaborate system in place under the Crown Forest Sustainability Act to protect caribou and other species at risk. Now, what we're looking at is a bunch of additional, duplicate prescriptions being put in place under the Endangered Species Act. We're significantly concerned that these new duplicate prescriptions will significantly and adversely affect the available wood supply to industry, which could have a devastating impact on aboriginal communities—we've made a sig-

nificant amount of headway there—and also the local communities in northern and rural Ontario that depend on these jobs and the supply of fibre.

Mr. Norm Miller: Is your ask that you have an exemption from it? When the Endangered Species Act initially came in, it was my understanding that forestry was supposed to be exempt because of the Crown Forest Sustainability Act and all the activities you just talked about.

Mr. Steve Watson: What we're asking for, ultimately, is equivalency. The Endangered Species Act requires us to protect these species and their habitat. What we're saying is, we're already doing that under the Crown Forest Sustainability Act, so there should be some form of equivalency or recognition of that fact. It's something that has been ongoing for a number of years, and it's something that the government hasn't been able to resolve. What we're ultimately asking for is an extension under section 55 of the Endangered Species Act to allow us time to figure out the mechanisms that are required to demonstrate equivalency between the two acts.

Mr. Norm Miller: You're asking for a review of the caribou conservation plan to show that the work you're doing is actually working. Is that correct?

Mr. Steve Watson: That's correct. Ultimately, yes.

Mr. Victor Fedeli: On the softwood lumber, where do you see us today, and where do you hope that this will end up in the very near future? Can you tell us, in your opinion, where you think we are at this moment?

Mr. Steve Watson: We had a one-year exemption period where there were no duties or export quotas, which I believe will expire in April. So once we get beyond that, there is potential for punishing duties to be applied.

Mr. Victor Fedeli: What numbers are we talking about? Do you know?

Mr. Steve Watson: I don't know offhand. It could range anywhere from 15% to 30%. Since 1982, there have been a number of challenges under NAFTA by the US lumbermen. They've basically taken the position that in Canada, because we're getting crown land and paying stumpage, that that represents a subsidy. There have been a number of panels put in place that have all examined this and have ruled in favour of Canada. We're concerned that if the US government comes in again and applies a significant duty or export quota, it could have a devastating effect on sawmills in Ontario. We're just starting to go through a recovery right now, and we sure don't want to see this affected by the potential duties, moving forward.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Watson, for coming out today. If you have any further written submission, you have until 5 p.m. on January 20 to submit it.

Mr. Steve Watson: Thank you.

DR. STEPHEN VIHERRJOKI

The Chair (Mr. Peter Z. Milczyn): Our next witness is Mr. Stephen Viherjoki. Good morning, sir. You have

up to 10 minutes for your presentation. Please start off with stating your name for the official record.

Dr. Stephen Viherjoki: My name is Dr. Stephen Viherjoki. Thank you for this opportunity to provide input to your pre-budget consultation. I'm a family physician here in Dryden, for the past nine and a half years. I've come to speak to you today because I think it's important that the government knows that doctors across the province are concerned about the choices the government is making in the health care system.

Each and every day, 29,000 of my colleagues and I go to work for our patients, because we've chosen a profession that places the health of our patients first in our minds. But we worry that the health care system that we work in is not keeping pace. We know from studying systems elsewhere that high-performing health care systems are built in collaboration with physicians. Right now in Ontario, we do not have a government that is willing to partner with doctors.

I'm here today to call on the government of Ontario to properly support Ontario's health care system by fully funding the demand for medical care in Ontario according to the needs of our growing and aging population.

0920

The government's contract with doctors expired in 2014. Since that time, the government has unilaterally cut, by nearly 7%, payments to physicians for the care that doctors provide to those patients. At the same time, we know that demand for medical care in the province is growing by nearly 3.6% per year, with 140,000 new patients entering the system annually.

Today, Ontario is home to nearly 800,000 patients without a family doctor. That represents nearly 6% of the total population of the province. I find that simply unacceptable.

It was the Financial Accountability Officer of Ontario who released, in his 2016 spring Economic and Fiscal Outlook report, data on health care system demand, projecting that it will rise at 3.6% per year for the next four years. The government has set funding growth for physician services at only 1.25%, less than half of that. Simply stated, the government is not fully funding the need for medical care in Ontario.

As a doctor, I believe that this decision by the government has serious implications for our patients and their families across the province. These decisions are going to have lasting impacts on the long-term sustainability of Ontario's health care system.

This shouldn't come as a surprise to this committee. I know that OMA President Dr. Virginia Walley sat before you last week, and I want you to know that physicians across the province, and certainly in this region, are united in this concern.

Let me tell you how this manifests in my own work. Here in Dryden, my colleagues and I run the only primary care clinic in the community. We have for years operated a satellite lab facility so that our clinic patients don't have to travel outside of our community for routine

scheduled outpatient lab work. We've had to reduce laboratory staff and hours in order to maintain our service. Previously, patients could just walk into our clinic during business hours and have their lab work drawn. We now need to schedule patients ahead, and wait times for these investigations are lengthening.

Also, northwestern Ontario has always had unique challenges with regard to physician recruitment. Our remoteness, lack of specialty backup, and limited access to many types of entertainment and recreational opportunities limit the pool of physicians who are willing to practise in this area. The current lack of a physician services agreement, the potential for further unilateral action by the government, and in particular, the cutting of our continuing medical education funding—a process which we must participate in to provide quality care and to maintain our medical licence, and where we have very few local opportunities—has made new graduates and other recruits really hesitant to sign on to practices in our region.

Further, our local emergency room is staffed by family physicians, myself included, who take time away from providing primary care to ensure 24/7 emergency room coverage. Unfortunately, we have been dependent on locum physicians for years to cover shifts beyond the capacity of our local doctors. The hourly wage cuts arising from the government's unilateral action have made our facility much less attractive to locum physicians in the region, and we're having more difficulty filling the shifts. This leads to local physicians having to take more time away from the clinic, which further reduces our ability to provide primary care. This, of course, leads to increased utilization of the emergency room, and further strains hospital resources.

We also have a local family physician running a satellite chemotherapy unit here in Dryden. For years, this program has been marginally funded, with allowable physician billings not nearly reflecting the amount of work done or the expertise of the physician involved. Cuts from unilateral action have really made the program financially punitive, and it is now in jeopardy. The physician has continued to work, despite the inadequate compensation, as he feels it's a very valuable service to our local patients, as they would otherwise have to travel hours to Thunder Bay to receive their cancer treatments. I do not feel that these cuts are sustainable.

The fact is that Ontario's population is growing and aging. In 2016, there are more seniors than children under 14. Today, 21% of adults are spending time caring for a parent or grandparent. By 2026, Ontario's eight million seniors will represent 21% of the population. That's the current size of Quebec. By 2036, we'll reach the highest demand for health care, as baby boomers will be, on average, aged 75. In 2052, almost 10 million Canadians 65 and older will represent between 23% and 25% of our population.

This is not a time for the government to decide to fund less than half of the additional care that will be needed. There should be investment in our system to help the patients of today and those of tomorrow.

By the Ministry of Health's own estimates, demand for medical care will grow by 3% per year—that's \$350 million—due to population growth in Ontario, an aging population that needs more complex care, and the need for new doctors to treat existing patients who currently can't get the timely access that they need and deserve. Yet this government is only willing to fund a portion of that growth: \$144 million. This is care that every patient in our aging and growing population needs and deserves.

I'd like to remind you that in 2012, the government unilaterally cut physician fees, and doctors then accepted a 5% cut, resulting in \$850 million in savings to the program. We accepted those cuts because we knew we could take them without making significant changes to patient care.

Now the government is cutting the necessary growth in funding for physicians unilaterally and without regard to the effects on patients. It's counterproductive if we want the best care for our patients and we want the best doctors available in Ontario.

Now the government says they offered us a 2.5% increase in the last tabled agreement, less than half of the growth projected in the system, and they couldn't understand why physicians overwhelmingly rejected it. I thought it was irresponsible, and cannot abide being held responsible for utilization increases that I don't have any control over. I knew that because of previous cuts, the ones I mentioned just a moment ago, the system won't be restored to where it was even five years ago, and it wasn't a step in the right direction for patient care.

This government is also spending money on new bureaucracy and red tape, the growth in the LHINs and the new sub-LHINs. In our current fiscal environment, where the government is cutting funds for front-line care, I feel that bureaucratic growth is simply unconscionable. This is why we urged all legislators to defeat Bill 41, and I was particularly disheartened when it recently passed.

My message is clear: I want the government of Ontario to fully fund the required medical care in Ontario, to the needs of our growing and aging population. It is my sincere hope that the government will, in the upcoming budget, begin to reverse the trends that I have set out here today, and that the government will commit to restoring its relationship with Ontario's doctors.

It's time for the government of Ontario to truly put patients first and fund the growth in the health care system that is required. The decisions Ontario makes today will impact patients' access to quality care for years to come.

Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you, Doctor. This round of questions is with the New Democrats, for up to five minutes.

Ms. Catherine Fife: Thank you very much, Doctor, for coming in. Part of the reason that this committee travels to the north is to hear the disparity in resources and services, so it's good for every MPP at this table to hear your presentation. You will be sharing your hard copy with us, will you?

Dr. Stephen Viherjoki: Yes, I have a copy.

Ms. Catherine Fife: Okay. You mentioned the president of the OMA. I do want to say we did have a presentation from her last Thursday, and every MPP did receive a very nice Christmas present, very nicely wrapped, filled with red tape.

Dr. Stephen Viherjoki: Yes.

Ms. Catherine Fife: It was a very effective campaign, I think. Your concerns around Bill 41—New Democrats did not support Bill 41. I don't believe the Conservatives did, either. There are some outstanding concerns with that legislation, which you did highlight, but mainly it's where the money is going.

The quote from the OMA was that 39% is going to bureaucracy, administration and profit, which is disheartening, and the Auditor General has confirmed that as well.

0930

Where do you see the money going, up here in the north? Is the contracting-out of public health services an ongoing issue up here, or is it just a basic lack of resources?

Dr. Stephen Viherjoki: I think we lack resources all around. I don't see any money flowing into new bureaucracy immediately here in Dryden. I feel that the system here has been very lean. We're also extremely integrated already. We are a local pilot site for vertical integration projects for the province, trying to reduce, at least at the hospital and local level, that bureaucratic red tape, so that we can provide the care we need for our patients.

Ms. Catherine Fife: You make a good point. If people don't have a family doctor, then they go to the emergency room, right? The minister has said that we do not want people going to the emergency room, but you have to fund community care in order to prevent them from going to the emergency room.

Dr. Stephen Viherjoki: Absolutely. Particularly here, with our difficulties with recruitment, the higher pressure on the hospital really is a vicious circle, where we have to take more time away from primary care to provide those emergency services.

Ms. Catherine Fife: You make a good point. You said in your presentation that we do not have a government that is willing to work collaboratively with doctors in Ontario. It's hard to recruit doctors to a province where there's a hostile relationship with the government. Would you agree?

Dr. Stephen Viherjoki: Absolutely.

Ms. Catherine Fife: Actually, even in Waterloo, we're fundraising for an emergency room resident in our hospital. It has never happened anywhere. The hope, in pulling a resident in, is that they will stay.

The relationship between the doctors and this government is quite poisoned, I think. You do mention, though, that doctors need to be at the table. If you were at the table with this government, what would you say? This is your chance to put it on the record.

Dr. Stephen Viherjoki: I'd really like to say please come back to the table. Physicians are willing and need

to get back to the table. We want an agreement, and we want to move ahead. We've been stalled for too long.

Ms. Catherine Fife: The satellite chemotherapy: Will the satellite chemotherapy be moving forward, or do you suspect that it will have to shut down?

Dr. Stephen Viherjoki: My fear is, in longer-term sustainability, I can't imagine we would be able to find someone to replace that physician if he would happen to become sick or move—though he's a pretty dedicated fellow, and I don't expect that he would be immediately stopping his work.

Ms. Catherine Fife: This satellite chemotherapy likely saves money in the long run. Do you not think so?

Dr. Stephen Viherjoki: Oh, absolutely. It not only saves money; it saves lives. Imagine that four-hour drive to Thunder Bay several times a week in the wintertime. I think any money spent in smaller communities doing this type of work is well spent.

Ms. Catherine Fife: Yes, I agree. Thank you so much for coming in. We appreciate it.

The Chair (Mr. Peter Z. Milczyn): Thank you, Doctor. If you have a further written submission, you have until 5 p.m. on January 20 to send it in.

Dr. Stephen Viherjoki: Thank you.

CONFEDERATION COLLEGE

The Chair (Mr. Peter Z. Milczyn): Our next witness is from Confederation College. Good morning, sir. You have up to 10 minutes for your presentation. As you begin, if you could please state your name for the official record.

Dr. Jim Madder: Thank you very much. I'm Jim Madder. I'm the president of Confederation College. Welcome to northwestern Ontario. Welcome to Dryden. Boozhoo. It's absolutely a pleasure to see some familiar faces that are here and to see some that I would love to introduce more to this remarkable land of northwestern Ontario.

These are the traditional lands of the Anishnawbe people. They've played a remarkably important aspect in terms of the history, growth and development of all aspects of northwestern Ontario, as well as the Métis, who are here as well.

With that, I'd like to indicate that I am here with a couple of other people. Of course, if you do ask me any questions, I'll really quickly give it to the people who are here who know the true answers.

The director of our campus here and in Sioux Lookout is Angelina Anderson. I'm here with three people from our local hospitals, both to support this application, but also I wish to thank them for their remarkable support of the college in terms of delivering our programs. Siobain Moore and Joan Mallyon are from Dryden hospital. Angela Bishop is from the Red Lake hospital. They represent the huge diversity of people that we have and that we serve.

Geography is an issue. It's virtually impossible to say, "We've got all sorts of nurses in Thunder Bay. Therefore,

health care in Red Lake is fine.” It doesn’t work that way.

We also have an interesting challenge in terms of student numbers, or students and student behaviour. If you actually are trained at home—if you receive your education at home—you’ve got a 70% chance of staying at home and being employed at home. If you leave home, as my kids did, you’ve got a 70% chance of them never coming home again, or at least not living at home. So a huge amount of our goal, as a college, is to do delivery in people’s homes.

Our largest campus is in Thunder Bay, by far, and we deliver more than 60 programs in Thunder Bay. But we have eight smaller campuses, and that includes the campus here in Dryden, Red Lake, Sioux Lookout, Kenora and Fort Frances, on this side of Thunder Bay. We also have campuses on the other side, at Marathon, Greenstone and Wawa. Appreciate that the area we’re talking about is actually larger than the area of France. We not only deliver in those campuses, we deliver into people’s homes. Because again, if we can deliver into people’s homes, they have access to what we’re doing, and they actually can be employed in their local area.

Fibre optic cable is a huge issue for us. That’s a discussion for a different day. But again, having that access into people’s homes is remarkably important.

You have, I think, in front of you a slide deck. I’ll walk through this. The picture on the front is from Thunder Bay.

Specifically today, what I wish to talk about is our community-based bachelor of science in nursing program. It’s critically important to our smaller campuses. It provides students access across the region of northwestern Ontario to Lakehead University’s accredited baccalaureate nursing program in partnership with Confederation College. We in fact deliver about 90% of the curriculum. The other parts are delivered by Lakehead as well.

It’s a unique community-based baccalaureate nursing program of this type delivered in Canada. It’s fully integrated. It’s not a two-plus-two program. It isn’t, “Go to college for two years and then go to university.” It’s fully integrated across the four years, and we deliver fully integrated across the four years.

How do we deliver it across those locations, or where do we deliver it? At least at the current time, in Kenora, Dryden, Sioux Lookout and Fort Frances. Yes, we use video conferencing, and video conferencing is incredibly important to us. We use Saba Centra on Contact North, and we also use, though, the great local expertise that we have here.

Again, video conferencing and technology-enabled learning is wonderful, but when someone’s going to put a catheter into you, you really want them to have hands-on experience with real people to make that thing work. So it’s a combination of technology, of simulation, of human-to-human interaction that’s here. Again, this could not be possible without the hospitals that we have in the small communities that are here.

The on-site and community clinical experience is in all four years of the program. While they include the locations listed up above, they also include other sites such as Red Lake. We have a representative of the Red Lake hospital here as well. These are the locations where people are trained, but they actually get jobs throughout all of northwestern Ontario, including with many of our indigenous hospital authorities as well.

A bit of history that’s there: Over the last number of years, we were funded to deliver three cohorts of this program. The critical aspect to understand is that this is not funded on an ongoing basis. There is lump-sum funding in order to support this program. The three cohorts, 2005 to 2009, with 20 graduates: All were successful in their national licensing exam, and they have a 100% employment rate. The cohort that finished in 2014: 18 graduates, a 100% success rate in terms of their licensing exam, and also a 100% employment rate. The employment, again, is in the hospitals, but it’s also in indigenous organizations, and there is a significant number of indigenous graduates.

Overall, as a college, we have the largest percentage of indigenous students. About 26% of our post-secondary students are indigenous. And we have an 80% retention rate, meaning that they tend to stay here in northwestern Ontario, very close to where their homes are.

We started a cohort that’s currently en route from 2014 to 2018. There are 24 students in that program. They are in their third year. When that cohort finishes, that’s the end of the funding. That’s the major point I’d like to make here today.

You’ve got a picture of the graduating class of 2014, a whole variety of very happy people who would not have access to this type of training without this type of program.

The student benefits—quite literally, the quotes from them: “Would not have had the opportunity to achieve their education if it had not been offered locally.” Many people are geographically bound, and they simply can’t move away from the location they’re in. And: “Unable to gain employment in health care without” that specific program.

From a hospital employer benefit viewpoint: “We [hospital] would not be able to maintain RN staffing levels without the regional program”—a definitive statement. Without the RNs, the registered nurses, there, simply, health care would decline.

0940

Finally, what are we looking for? Here, on the final page, I’m looking for funding to support future cohorts—at least, the cohort that would start in the fall of 2018. The interesting challenge: You may ask, why am I here when you’re looking at the budget for 2017-18? We must make a decision by July 2017 in order for students to be prepared to enter into the program in the fall of 2018. This is a bit of a leap of faith for people. What I’m really looking for is a commitment from the government to fund future cohorts, but I need that commitment by July

2017 so students can prepare themselves to be effective inside that program.

Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. This round of questions is with the government side. Mr. Baker.

Mr. Yvan Baker: Thanks for coming in. Over the course of my time as an MPP, over the last two and a half years or so, I've spent a lot of time working in post-secondary education. One of the things that I am particularly impressed by—and it goes for your college, but it goes for others as well—is how focused and successful colleges have been across Ontario in preparing young people for the jobs that they're seeking, post-graduation. I think that's so important, particularly in today's economy. So I congratulate you on that and thank you and your team for all your work in doing that. The slide that you presented, which is a snapshot of this particular program—I don't have the slide number—with the success rates and the employment rates, is a perfect example of that.

I have a couple of questions for you. The first is, could you help the members of this committee better understand just how the funding that you've requested would help young people? I understand that you need it to run the programs; I understand that. But could you just tell us where the funding goes to, and what sorts of outcomes you think that will lead to? Can you make it real for us? What happens to these young people after they graduate, and what do they do?

Dr. Jim Madden: Actually, I'm going to ask the people who have come with me, because they know them quite personally. You get to know them quite well across four years. Angelina's here with me.

Ms. Angelina Anderson: Directly how it helps young people is—first, as Jim had mentioned earlier, many of our students, if not all of them, would find it completely impossible to go away for school, for a number of reasons. Either they don't have the funding or they don't have the supports. Supports might be child care. It might be that they're the only person working, and if they go away to school, they lose that job. Many of our students are working either full- or part-time while they're going to school as well.

Also, for a number of our indigenous students, it means they leave their culture and their community behind. I think we all know the benefit of community for each and every one of us, especially our students. The more support they have, the more successful they are, not only in their chosen education, but of course, success in education means success in their career field as well.

The funding, I think, is directly beneficial to them in order to be successful in student learning. But also, because they're able to stay home, they go to school here and they go to their clinical experiences here. They might be a student in Dryden but experiencing clinical in Dryden and in Sioux Lookout or Red Lake.

The percentage of students in this program who stay locally is much, much higher than students who go away,

and that's one of the reasons why our community organizations like our hospitals, our long-term-care homes etc., ask us to continue to deliver this program here, because it's that important to their long-term ability to hire and retain. It's not just hiring, but keeping those employees here long term.

The Chair (Mr. Peter Z. Milczyn): I apologize. Could you just tell us your name for the official record?

Ms. Angelina Anderson: Absolutely. I'm Angelina Anderson.

The Chair (Mr. Peter Z. Milczyn): Thank you.

Mr. Yvan Baker: Chair, how much time do I have?

The Chair (Mr. Peter Z. Milczyn): Two minutes.

Mr. Yvan Baker: Two minutes.

I know that the provincial government has been looking at the funding formula for colleges more broadly. From my personal perspective, one of the things that's important in every aspect of what we do in government, whether it be post-secondary education, health care or any other programming, is that to be able to appropriately fund programs, we also need to know the results that they're generating.

You just spoke about some of the results that your programs generate for your young people. Could you just give me your thoughts on what sorts of metrics, I'll call them, we should be using to measure results as far as the college sector goes?

I ask that in part because I will share with you that I have a private member's bill that I introduced that would require the government to provide students with certain information about programming at colleges, and what post-graduation outcomes they can expect when they attend a particular program at a college or university.

But I'm curious. You're in this sector. From your perspective, what sorts of things do you think we should be measuring and sharing with people?

Dr. Jim Madder: My background is in science—I have a science-based doctorate overall, in fact—so forgive me for this: Not all things that are important can be measured. Again, the qualitative aspect of being able to fulfill oneself—our students who come into our program, I'm sure, walk in at 5 foot 2 or 5 foot 3, and they walk out at 5 foot 6 and 5 foot 7.

I mean that because many of our students are disadvantaged when they walk into our locations. They come out with greater confidence—I'm not sure how you measure confidence. They walk out with greater skills. They often leave horrendous situations at home and, in fact, it does change their lives through learning. That's the metric for that aspect of what we're doing. I love metrics—it's very much part of my background—but I think appreciating that qualitative change in a human's life is quite remarkably important.

Overall, we have the key performance indicators that are there, and I think they're quite fine. But you know what? Showing here specifically about an individual program and what it can do to individual students—what if you drill deeper and ask what the ROI is on those students? If those students, those graduates, didn't exist

in northwestern Ontario, what would that do for health care in northwestern Ontario?

I've been in this job six years. When I arrived, we started to develop a new strategic plan. I made the mistake, actually, of coming to our smaller communities and asking, "What would it be like if the college wasn't here?" They looked at me, absolutely appalled: "How dare you even imply that that would be the case, that you wouldn't be here."

We have 400 students right now at our smaller campuses, and that is part of—

The Chair (Mr. Peter Z. Milczyn): Dr. Madder, I have to cut you off. That's all of our time for this morning.

Dr. Jim Madder: You got me going on something I love.

The Chair (Mr. Peter Z. Milczyn): Yes, I can appreciate that. Thank you very much for coming in this morning, both of you. If you have further written submissions, you have until 5 p.m. on January 20 to submit them.

Dr. Jim Madder: Thank you very much.

DOMTAR

The Chair (Mr. Peter Z. Milczyn): Our next witness is from Domtar. Good morning. You have up to 10 minutes for your presentation. If you could please state your names for the official record as you begin.

Ms. Bonny Skene: Good morning. Thank you, Mr. Chairman. My name is Bonny Skene. I'm the regional public affairs manager for Domtar.

Mr. Jack Harrison: Good morning. My name is Jack Harrison. I'm the forest lands manager for Domtar.

Ms. Bonny Skene: On behalf of our colleagues at Domtar, let me say welcome to Dryden. I can tell you that I can't remember the last time the standing committee met in Dryden. As residents of Dryden, Jack and I know what it takes to get to and from Dryden from far afield, so thank you for making the effort. Know that it's appreciated.

We'd like to tell you a little bit about Domtar and some of the priorities we'd like to see in the forthcoming budget for 2017 as it relates to the forest sector. We've provided just a short deck that we'll use to facilitate the conversation.

Domtar is a company that is evolving. It has historically been involved in pulp and paper manufacture. As we all know, the demand for paper, or the uncoated free-sheet photocopy paper that we all use, is declining in North America and has been declining since about 2001 because of electronic substitution. We all do things electronically—email, banking, paying bills, those kinds of things—and that reduces the demand for paper. As a result, our company is evolving and looking forward, to figure out what we're going to be in our next life, if you will.

What we see ourselves becoming is an innovator with respect to everyday fibre-based products. What that

means is that we'll continue to use the valuable, sustainable and renewable fibre grown in trees for many innovative new uses that we're researching today.

It's in our fibre to be agile, to look at these opportunities, to be caring. We look after each other, and the forests that we operate in, with care and compassion, to be innovative, in order to make things better, working together to do it.

We design, manufacture and market a wide variety of everyday products: pulp, paper and personal care products, right from copy paper to food wrappers to baby diapers. There are many ways that we all connect to forest products every day.

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Today, our strategy for growth involves communication papers. Although we recognize that demand for business papers is declining overall, it's still a very significant piece of our business, and we believe there is an underlying level of demand that will be ever-present. Just in terms of whether it's committees like this, we all have some base-level need for paper.

We are a marketer and producer of a broad line of absorbent hygiene products, and within that product sector, we see growth and a lot of that has to do with a growing aging population. We manufacture paper-grade and fluff pulp. Also, worldwide demand for those products is growing at a slow but steady rate. We also manufacture specialty papers, which I mentioned.

If you take a look at our global presence, you can see there's a footprint of all of our operations in North America and Europe, and we do have a sales office in China. You'll notice that there are two operations in Ontario, one in Dryden and the other in Espanola. Both of these operations, of course, are important and critical to the local economy. Both are part of the pulp-and-paper division of Domtar. If you turn to slide 8, we'll just look at Dryden.

We manufacture market softwood pulp. It goes primarily into products like paper towel, tissue, those kinds of things. We employ 340 people at the mill, another 250 in our forest lands operations and another 200 supplying fibre.

In terms of those numbers, if you're from a large community in southern Ontario, those numbers, in absolute terms, may not sound all that significant. But in a community of 7,000 people, if you take a look at that ratio and extrapolate to your own community—I can tell you it's very significant.

In Espanola, the situation is very similar. That's where we manufacture specialty papers. The wrapper that wraps your Subway sandwich, for example, the muffin cup that you bake with, those types of things, or surgical gowns for the health care sector—those types of specialty products are made at the Espanola mill—again, a very small community, with direct employment of about 550 people, with over 100 suppliers for the fibre supply.

We would be remiss if we didn't talk briefly about our community investment priorities and programs. If we take a look at what a sustainable entity entails, we do

believe that it involves economic viability, environmental responsibility and social responsibility, and this is where the socio-economic impact comes in. We invest significantly. Most recently in Dryden, we were happy to be able to partner on the new building at the soccer fields. Those are some of the things that we like to focus on, to improve the communities, the host communities, that we operate in.

In terms of priorities for success—looking at slide 11—fundamental to that economic pillar of the sustainable model is reliable, cost-effective wood supply.

We believe that the government would be well advised, and it would be very important to our industry, to develop a comprehensive strategy that recognizes equivalency needed—we heard about that earlier this morning—between the Crown Forest Sustainability Act, which governs all that we do in the forest, and the Endangered Species Act. We believe there are components in place in the Crown Forest Sustainability Act where we are held accountable to manage forest species, including those at risk, that ought to be recognized as far as the objectives of the Endangered Species Act.

We also believe that it would be well advised to conduct socio-economic impact analysis on changes to legislation, regulation and policy, to make sure that the approaches being taken are workable and balanced. Again, this is in the interests of that viable framework, that sustainable framework, of economic, environment and social.

We were encouraged that the provincial roads funding mechanism has been continued. We would like to see it restored to levels prior to the downturn in the industry, which support the development of the important forest access roads, which are important to our operations but also tremendously important to resort/tourist operators, hunters, fishers, anglers and members of the public who use those roads, not to mention indigenous communities that use those roads and road networks for access.

I'll turn it over to Jack to talk a little bit about tenure models.

Mr. Jack Harrison: Thank you. We're looking for support from the government as we continue on our tenure modernization. Domtar and Weyerhaeuser have been quite involved with Lac Seul First Nation and, hopefully, this week will be the submission of our—

The Chair (Mr. Peter Z. Milczyn): Could you lean more into your microphone?

Mr. Jack Harrison: Can I bring it forward a little bit?

We'll be supplying to the government our model for ESFL on the Lac Seul forest in conjunction with our partners, Lac Seul First Nation, Slate Falls First Nation, the municipality of Sioux Lookout, the independent crown operators, Weyerhaeuser and Domtar. We're looking for support from the government for that co-operative model. We think it's the way to go into the future.

Ms. Bonny Skene: In addition, the Northern Industrial Electricity Rate Program has been instrumental to the viability of the operations at Dryden and Espanola.

We'd like to see that continued, for obvious reasons. As the government looks to long-term competitiveness of electricity rates, at some point, presumably, that could be phased out. But until that's the case, it's tremendously important to both the operations at Dryden and Espanola.

In addition to that, when we think about climate change—we were appreciative of the government having taken steps to recognize and reward the use of biomass for the pulp sector. We encourage financial support for technology development that will be required to develop further solutions that allow us to support those climate change goals.

We also think it's critical that the government carefully take a look at sustainable harvesting of forests in order to support its climate change strategy. There are huge opportunities, and those ought not to be missed.

Finally, we think it's important that the government support work that prepares the workforce for opportunities in the forest sector. I can tell you today there are opportunities in the forest harvesting areas where we operate where we need people. We need qualified people. When we think about how we qualify those people, we believe there are programs that could be implemented as early as the high school level, introducing students to what happens in the forest. Frankly, at the end of any training program, the elusive job is always the goal. I can tell you that the jobs exist today. That, we believe, is a real low-hanging fruit.

The Chair (Mr. Peter Z. Milczyn): I'll cut you off there. That's the 10 minutes.

This round of questions is with the Progressive Conservative caucus. Mr. Fedeli.

Mr. Victor Fedeli: Thank you very much, Bonny and Jack, and thank you very, very much for the tour of Domtar that we had recently. That was fabulous.

When you talk about that many people working in a smaller community—there are many communities 10 times the size of Dryden that don't have an employer that size. That's a real treat, and a real acknowledgment.

In your first comment on page 11, in your "Priorities for Success," you talk about "Sustainable, reliable, cost-effective wood supply." You say you look to "Develop a comprehensive strategy," and it goes on. If you want one to be developed, what's in place now? If there's a need for something to be developed, the question I have would be, what's in place now such that something needs to be changed?

Mr. Jack Harrison: The Crown Forest Sustainability Act that's in place has worked very well. For example, for the Endangered Species Act, we've been managing for caribou since 1994 in the Trout Forest and have been very successful. We're concerned that—

Mr. Victor Fedeli: I can't hear you.

The Chair (Mr. Peter Z. Milczyn): Lean into your mike, sir.

Mr. Jack Harrison: Sorry. We're concerned that the Endangered Species Act is not recognizing the Crown Forest Sustainability Act, the process and the benefit that that act has had in providing a jurisdiction and process to

adapt to as we learn about endangered species' habitat and how they live. CFSA is a very adaptive act, and we feel that there is a great threat to our wood supply if the Crown Forest Sustainability Act is not recognized as the vehicle that it is, and the real benefit it has.

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Mr. Victor Fedeli: Do you include the caribou plan in that threat, in addition to the Endangered Species Act?

Mr. Jack Harrison: The caribou conservation plan? I think we say, in the second bullet point, the socio-economic analysis is vitally important to be done when you're studying caribou. My biggest criticism is—when we're trying to manage a sustainable forest, we look at the species at risk. We look at their habitat. We try to find the research to make sensible decisions. We look at the social side of it. But we don't look at the economic side of it. We tend, as a government, to rush in to try to protect a species, without thinking about the whole ramifications. To me, that's not sustainability, when you're endangering the economic drivers without any consideration.

The Chair (Mr. Peter Z. Milczyn): Mr. Miller.

Mr. Norm Miller: On page 11, in one of your bullet points, under cap-and-trade, and talking about the environment and forestry, is "Recognize sustainable harvesting of the forest supports climate change strategy."

I just met in my riding last week with a company that wants to create a manufacturing plant for cross-laminated timber. In part of the meeting they had with me, they showed me a time-lapse video of the tallest wood structure in the world being built at the University of British Columbia, an 18-storey building. The big selling feature was that it was 2,400-something square metres of stored carbon in that building, versus the option of building with steel and concrete.

I think a lot of people don't realize the positive environmental benefits of using wood. Maybe you could talk a bit more about that, as you noted in your slide deck.

Ms. Bonny Skene: There's no question that carbon sequestration, through building wood structures, makes sense. Where we're also encouraging the government to focus is on the active harvesting. As a forest is young, planted, growing, the amount of carbon that it's absorbing is higher than a very mature, older forest that might be on the edge of decay, for example, or might be at risk of burning, when all the carbon is released back into the environment.

The recognition of the process of forestry being very supportive of climate change goals is important as we set those goals and those policy frameworks, because those are the things that are going to be important for us all, going forward, in terms of the sustainability of the forest and also recognizing the benefits that those active forests being harvested and replenished and replanted for future generations have on climate change.

Mr. Norm Miller: I think that's a really important point to make. A lot of people from southern Ontario just think cutting trees is a bad thing and don't recognize that

there's an environmental benefit to having a healthy forest. I think the majority of people don't recognize that.

Ms. Bonny Skene: I think we also need to recognize that in the boreal forest, its natural way of regenerating itself is through fire, insect infestation and disease. The whole basis for the Crown Forest Sustainability Act and harvesting in Ontario is that we're trying to mimic Mother Nature, if you will, or emulate natural disturbance, if you use the technical term. What we're trying to do is copy what Mother Nature would otherwise do. From that standpoint, we're starting from a very renewable philosophy, if you will.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation this morning. If you have further written comments, you have until 5 p.m. on January 20 to submit them to the Clerk.

Ms. Bonny Skene: Thank you very much, Mr. Chairman and committee.

WEYERHAEUSER-KENORA/ONTARIO TIMBERLANDS DIVISION

The Chair (Mr. Peter Z. Milczyn): Our next witness is Weyerhaeuser-Kenora/Ontario Timberlands Division. Good morning, gentlemen. You have up to 10 minutes for your presentation. Following that, there will be five minutes of questions from the New Democratic caucus. If you could please state your names for the official record as you begin.

Mr. Erik Holmstrom: My name is Erik Holmstrom. I'm the timberlands manager with Weyerhaeuser-Kenora.

Mr. Matt Wilkie: I'm Matt Wilkie. I'm the log procurement supervisor for our mill.

Mr. Erik Holmstrom: Good morning, members of the standing committee. First off, I'd like to welcome you to northwestern Ontario. Thank you for making the trip up here. It's always good to see members of Parliament from the south come here.

Second of all, I'd like to echo that Weyerhaeuser supports and is aligned to the comments made by Resolute and Domtar.

Weyerhaeuser has a proud history of managing crown land in Canada and producing renewable forest products. We currently operate in four provinces and manage over 14 million hectares of land.

In 2001, Weyerhaeuser constructed its most innovative facility to date and, fortunately, chose Kenora as its location. The plant cost \$260 million to build. It employs over 220 people within the mill and approximately the same number of people on the forestry side. It is one of Kenora's largest employers.

Through advanced manufacturing, this facility produces a product we call TimberStrand, which is a laminated strand lumber. If you don't mind, Mr. Chairman, I'll pass around a sample of this product. This is the first TimberStrand plant in Canada and is the most up-to-date engineered-wood-products operation in the world. TimberStrand is used in wall framing, rim board, concrete form, columns, headers and beams. Products are

in lengths of up to 64 feet, with a thickness between one inch and 3.55 inches. The strands are aligned in one direction, maximizing the wood's natural strengths. TimberStrand resists warping, splitting and twisting. It's stiff, it's strong and it's straight every time. Environmentally, the entire log is used for the production of engineered lumber, as the log by-products are used to process heat.

The forest industry is critical to us in northwestern Ontario. The forest sector's strength has always been its ability to use Ontario's renewable resources responsibly. Personally, this is evident by the fact that my great-great-grandfather worked as a papermaker at the mill here in Dryden over 100 years ago, and I'm confident that the forests are healthier now than they were at that time.

The forest sector not only practises world-class forest management, but has continually transformed itself to become leaders in advanced manufacturing, responding to the latest consumer trends and technological advancements.

The forest sector is proud of our performance as it relates to reducing the carbon footprint of our product. On a total emissions basis, the sector has seen a greater-than-60% reduction of CO₂ emissions since 1990, which is significantly above the provincial targets. By all accounts, the forest products community meets or exceeds the Ontario government's climate change objectives, and is proof that a low-carbon economy in Ontario is not only possible but is also already happening. The forest sector in Ontario leads in low-carbon energy products, waste diversion and sustainable forestry.

As impressive as our industry is, it is not without its challenges. At the time Weyerhaeuser committed to building the TimberStrand plant in Kenora, over half of the wood supply was to come from two forests within the Kenora district, these being the Kenora forest and the Whiskey Jack. Due to harvest restrictions, these forests currently make up less than 15% of fibre delivered to our mill. This means that we have to go further and further to replace this wood, making our wood costs the highest among Weyerhaeuser's operations in Canada. We are concerned that new, unbalanced public policy will further constrain our existing wood supply and enhance our uncompetitive position.

All forest companies in Ontario must operate under the Crown Forest Sustainability Act. Under this rigorous environmental regulation, forests are regenerated after harvest, and practices must maintain the long-term health of the forest.

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The Endangered Species Act poses a serious threat to our sector. The ESA's mandate of protecting individual species is at odds with the long-term healthy forest mandate of the Crown Forest Sustainability Act, where forests are managed at a landscape level similar to Mother Nature's approach. We are concerned that the application of the ESA will continue to impact the environmental, social and economic sustainability of forestry in northwestern Ontario. The forest sector should not be asked to operate under two acts. The duplication is

not necessary, and the objectives of the two acts are irreconcilable.

The ESA is going to limit our wood supply and those around us, forcing costs to increase and mills to curtail or close. On the Kenora forest, Weyerhaeuser has partnered with seven First Nations and industry to create one of the first successful jointly managed sustainable forest licences in Ontario. The majority of the roads in the Kenora forest and the Whiskey Jack are built by First Nations and used by the forest industry, hunters, trappers, fishermen, recreationalists and tourist operators.

The provincial roads funding program helps to support this development and is critical to the people of northwestern Ontario. Initially the funding for the public access infrastructure was \$75 million. Currently, it is down to \$60 million. With an increase in activity in the forests in northwestern Ontario, we ask that the roads funding program be increased to its historic level of \$75 million.

The forest industry is critical to the health of northwestern Ontario. We are proud of our history of sustainably managing Ontario's forests, and we're governed by some of the most stringent policy in the world. With consistent long-term, reliable access to affordable wood, we will continue to be the cornerstone of northwestern Ontario's economy and support hard-working families.

The Chair (Mr. Peter Z. Milezyn): Thank you very much. This round of questions is with the New Democratic caucus. Ms. Campbell.

Ms. Sarah Campbell: Thank you for your presentation. I wanted to start off by saying that I agree with your statement that the forest industry is absolutely critical to northwestern Ontario. When I think about my own family, virtually all the men in my family have at one time or another worked in the forest industry. Actually, I worked at the former Weyerhaeuser mill in Ear Falls to put myself through school, so I certainly understand that.

I wanted to talk about what a previous presenter had talked about: the need for a comprehensive strategy to reconcile the Crown Forest Sustainability Act and the Endangered Species Act. How urgently would you say that that strategy or action would have to happen?

Mr. Erik Holmstrom: The current exemption under section 55 expires, I believe, in June 2018. We've had eight and a half years to figure this out. There has been very little progress, the reason being that the two acts are irreconcilable. They have very different objectives.

Industry has worked hard with the Ministry of Natural Resources and they've had their best people on it. But, realistically—I think it has been mentioned before—the Crown Forest Sustainability Act looks at managing the forest from a landscape level versus individual species. You've got to realize that individual species have different food sources and habitat than other species. As you manage for one, you're neglecting another. That's why forestry tries to manage on the landscape level.

It's very important. We're running out of time. There is a strong need for a comprehensive strategy. To date, we haven't seen one.

Ms. Sarah Campbell: In your presentation, you talked about the effect that Weyerhaeuser would feel if we don't reconcile these two acts. What would you say the effect would be in northwestern Ontario—and if you could speak maybe specifically to Kenora.

Mr. Erik Holmstrom: It's difficult to comprehend. Our mill—we consume wood off 10 different forests now. Again, that wasn't the intent when we were first built, but due to a number of issues, we end up going further and further.

Right now, our most expensive wood at the outer limits is basically unprofitable to the mill. What that would mean is, as other forests reduce their wood supply, we would be having to go out further and further. In all likelihood, it would mean reducing the capacity of our mill or not operating at full capacity.

Ms. Sarah Campbell: Would that still be sustainable for your operation?

Mr. Erik Holmstrom: No, I don't think it would be sustainable. It wouldn't be sustainable for us; it wouldn't be sustainable for others as well. The industry as a whole would feel an impact, and that would result in either a bunch of mills curtailing or certain mills just closing.

Ms. Sarah Campbell: Are you seeking any specific changes to wood allocation? You talked about what you were expecting when you were operating and then the reality when you opened up.

Mr. Erik Holmstrom: No, I don't think we're expecting—the government has actually worked with us quite well as issues arose and we weren't able to access the fibre that we initially were accessing. They did replace that fibre. It increased our costs to replace it, but we have access on paper to enough fibre to supply our mill.

If the ESA has primacy over the Crown Forest Sustainability Act, then we wouldn't have enough wood to supply our facility and we would look at changes to our current tenure.

Ms. Sarah Campbell: Okay. Thank you.

Mr. Erik Holmstrom: Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. If you have further written submissions, you have until 5 p.m. on January 20.

CITY OF DRYDEN

The Chair (Mr. Peter Z. Milczyn): Our next witness is the city of Dryden. Mayor Wilson: Good morning, sir. You have up to 10 minutes for your presentation. If you could please state your name for the official record as you begin.

Mr. Greg Wilson: Sure. My name is Greg Wilson, mayor of Dryden. I think I can do it in under eight minutes.

Mr. Steven Lansdell-Roll: I'm Steven Lansdell-Roll, the city treasurer.

Mr. Greg Wilson: I'll get right to it. Thank you for visiting our fair city in the north, in the cold. We're truly indebted to you, as you are indebted to others. It's probably a poor pun for a Monday morning.

I just want to start off with three positives: Ministers Gravelle and Mauro care about our northern concerns, and they really do respond as best they can, so we really appreciate that; secondly, MMAH responded quickly and effectively during Dryden's flood last August; and third, Premier Wynne's FaceTime with Drydenites this summer was well received by the community.

Dryden has many economic challenges—some of its own making, of course—but most due to circumstances and situations outside of its control. We've managed the financial aspects of challenges at the local level by raising municipal revenues from our tax base, comprised of citizens and businesses large and small, at a rate of 5.57% annually since 2001. This is just over three times the rate of inflation over that equivalent time period. Raising taxes at these rates is not sustainable for the ratepayers, of course.

The city engaged KPMG to conduct a service-level review to provide recommendations to the city regarding an economic path forward. One of KPMG's conclusions was that Dryden ratepayers were suffering from taxpayer fatigue and that further increases in the short term were not a viable solution to the city's financial challenges. It was recommended that increasing revenue from other sources, service-level reductions, or efficiency increases should be considered.

Dryden put together an economic recovery plan to react to the situation and has been very diligent in following it for the past several years. Despite statements on the provincial government's website about increased funding for the north, the OMPF funding formula for Dryden was reduced by 4% for 2017. Add inflation, and it becomes a year-over-year shortfall of 6%.

We don't know where the government expects municipalities to magically come up with additional funds when we are under similar revenue and expenditure pressures as they are. Our chief of police, for example, asked me to ask you when the promised upload of court security and prisoner transportation costs for Dryden will become a reality. Will it be 2017 or will it be 2018? How and when should we plan for this?

Our general concern over provincial policy is that, despite statements for the November 10 press release from the Ministry of Finance to heads of council indicating that numerous programs will enhance funding over previous years, we're really not feeling it at the local level, and we're wondering: Is it simply optics? Ontarians have put their faith in the representations and promises of both the federal and provincial governments. Expectations at the municipal level in 2016 had been elevated based on the rhetoric, and to date there really is a significant gap in what has been communicated and what we see for revenue streams from the province.

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Concerning debt, we fear that our reduced transfer payments are going towards increased provincial debt repayments, currently pegged at \$317 billion for 2016-17, according to the province's website. The province's increase in interest debt is approximately 3.7%, which is

cerily similar to the 4% we've had trimmed in our OMPF transfer payments.

Regarding infrastructure, as with most municipalities, the city's infrastructure is aging and in need of replacement on a planned basis. The city's asset management plan has identified that \$9.6 million per year needs to be spent annually to correct known infrastructure deficiencies and liabilities. The city has the financial ability to fund replacements at a level of \$1.5 million per year over the next five years. After that, the city may be able to fund infrastructure replacements at the \$4.2-million-per-year level. This is still less than half of our known requirements.

I mentioned this at the federal-municipal online round table this spring, and I would just like to make the same request this year at the provincial level. I don't see it spelled out clearly in your infrastructure policy and would like to request that you allow municipal applications for demolition of tax-delinquent business properties to be granted the same funding support as with new or reconstruction projects. We have potential prime apartment and retail projects that developers would like to advance; however, demolition costs make these projects impractical. You can see that all across small-town and large-city Canada, but specifically large towns. Jobs would be created, blighted buildings would be removed, and downtown redevelopment, in particular, for towns and cities like Dryden, would get the spark that they need for revitalization.

On social issues, ongoing challenges that Dryden faces include the following: a population demographic that is moving towards a higher percentage of citizens that are at or above retirement age, putting more pressure on long-term-care services, housing for the aged and hospital beds; and a second trend is a continuing influx of people from northern reserves, increasing the city's aboriginal community population, straining many services including housing, medical and social assistance.

On a bright note, the Dryden Native Friendship Centre and other provincially funded health, education and social service agencies—we do work well together. Last Friday, for example, community stakeholders attended our third urban indigenous round-table at the friendship centre to “address locally determined priorities through development and working together towards a common agenda that fundamentally changes community-level outcomes such as employment, housing, rates of violence and health.” I wanted to mention this to assure that small-town northern Ontario still knows how to pull it together to get things done.

Regarding red tape, we consider dealing with MPAC as a red-tape issue. As time vampires, they have sucked more than their body weight in blood from the city over the past few years. It seems as though whoever they talk to last has the most influence on their decision-making process concerning the valuation of special purpose properties such as mines and pulp mills. Don't repeat that—no, no, you can repeat that. The same can be said for large commercial enterprises such as Canadian Tire

and Walmart. The result is revenue-reducing decisions that place extraordinary new financial pressures on communities with no corresponding solutions. I would define their process accurately with one word, and that would be “arbitrary.”

On hydro costs—you've probably heard this issue the most during your tour—extremely high and escalating hydro rates create huge issues with Dryden's citizens and businesses. These increases push some businesses into insolvency, resulting in closure and reduced tax revenue for the city. This puts further pressure on the rest of the tax base. This issue is frequently brought to the attention of city council from citizens and businesses alike. I don't get a good feeling that the provincial government realizes or recognizes the enormity of this issue.

In conclusion, the city needs the province to continue to be a good partner in shared services and objectives. The city is not sustainable under the current situation where more and more services are being downloaded to the municipality from the province, and those services that have been downloaded are required to be funded at ever higher levels by the municipality. This situation is exacerbated when provincial government support is reduced, as evidenced by reductions in OMPF grants.

We understand that the province has financial challenges. The city is no different. Simply transferring the problem to municipalities does not solve these problems for the citizens of Ontario. It simply makes the same issue someone else's problem. Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Mayor. This round of questions is from the government side. Mr. Rinaldi.

Mr. Lou Rinaldi: Thank you, Your Worship. It's good to be here. It gets us ready for what's coming down the road in our neck of the woods, so it's a good training ground, I guess.

Past municipal world—I spent 12 years. I was sitting on that chair for 12 years, and I understand the challenges municipalities face, big or small. Our citizens expect more and more, and there's a cost to more and more.

One of the things you didn't mention when you talked about OMPF funding—I don't have the numbers here, but you might know—is the new infrastructure funding for communities across the province, which will come to full fruition next year, I believe, 2017-18, with some \$200 million in formula-based, and it is also \$100 million in application-based. Will that help the city of Dryden in any way, shape or form?

Mr. Steven Lansdell-Roll: I'm sure it will, but we'd probably need more information. The early releases, as far as public transportation, for our municipality—it doesn't really assist us much, so I'm interested in knowing more. Or are you talking about the federal program?

Mr. Lou Rinaldi: No, I'm talking about the provincial program.

It used to be \$100 million. It has been increased threefold. When it was \$100 million, it was \$50 million for application-based and \$50 million through formula-based. That program has been increased to \$300 million,

and \$200 million is formula-based—you'll get a cheque every year, or an automatic transfer, these days—and \$100-million application-based. The beauty of that is that you don't have to spend the money all at once. You can stack it for five years to tackle bigger projects. Frankly, that's what municipalities across the province have asked for. You should have had a communication a few months back spelling out exactly what those amounts were. It's not enough, I will testify, but it has had some pretty good feedback from smaller municipalities. Large communities over 100,000 don't qualify. It's strictly for smaller, rural municipalities.

I would think that that would have some type of an impact on you folks.

Mr. Steven Lansdell-Roll: Is this the OCIF funding?

Mr. Lou Rinaldi: Yes.

Mr. Steven Lansdell-Roll: Our OCIF funding, the formula-based—I think that is a step in the right direction. The challenge for us on the application-based side is the timing related to it. From a planning perspective, the formula-based is very helpful because we know in advance what we're going to get, and we can plan for that. On the application-based, there's no guarantee that our application is going to be successful—and there is the city-funded component of that program. So we're setting aside dollars for infrastructure while we're waiting for approval of that application. If it doesn't come, then—it might be halfway through the year—we're not able to secure contracts or whatever it is, and those dollars are not being spent to address the infrastructure.

So while it's greatly appreciated, my hope is that the push would be more on the guaranteed formula-based and less on the application-based, or more timely processes on the application-based.

Mr. Lou Rinaldi: As you know, the OCIF funding is reviewed, I think, after it's fully implemented. We've heard the piece about transferring it all to full formula-based as we progress.

You talked a little bit about transportation issues. I presume Dryden has public transit. Do you benefit at all from the gas tax from the province?

Mr. Steven Lansdell-Roll: Yes. Previously, we had a Handi-Transit program. We're going through a project right now of changing the model. It's going to be beyond just Handi-Transit—also for senior transit. It's a very small program. We do receive around \$40,000 on an annual basis, but based on the criteria of what expenses qualify to be used for that funding, we're actually not

able to use very much of that. It's being put into reserves right now.

Mr. Lou Rinaldi: When it first was initiated back in 2003-04, it was strictly to purchase or expand new transit. When municipalities said to the province, "We want to be able to make sure we keep our buses that we have running"—and I believe a lot of that shift has happened, although it might not be exactly your needs. But it's not just to buy new buses.

Mr. Steven Lansdell-Roll: Correct.

Mr. Lou Rinaldi: I think that was a request from municipalities.

I have a quick note here, if I can get back to it. I'm technically challenged here.

OMPF funding this year for Dryden was \$2.6 million, correct?

Mr. Steven Lansdell-Roll: Correct.

Mr. Lou Rinaldi: That's \$750 per household, about 8.2 times the provincial average. So when I hear about the funding being decreased, I'm a bit confused.

Mr. Steven Lansdell-Roll: On the OMPF website, it talks about how the combination of the grant and provincial uploads is providing more funding to municipalities. I actually printed off the sheets from the website. If I go back to 2013, our grant was \$3.25 million, provincial uploads were \$538,000, for a total of almost \$3.8 million. Then you go to 2015; that's now down to \$3.4 million. You go to 2016, and it's now down to \$3.3 million. You go to 2017, and it's now under \$3.3 million. So for our municipality, it hasn't been the case.

As well, when you talk about the provincial uploads, there are costs attached to that that were not city costs. You're also providing credit for court security and prisoner transportation. We're still providing those services, so there should be no provincial upload related to those items.

The Chair (Mr. Peter Z. Milczyn): I will cut you off there, because that's all the time we have. Thank you, Your Worship, for coming in this morning with your presentation. If you have further written comments you'd like to submit, you have until 5 p.m. on January 20.

Mr. Greg Wilson: Great. Thank you very much.

The Chair (Mr. Peter Z. Milczyn): For members of the committee, I'll just advise you that lunch will be served down the hall, between 11 and 11:30. Checkout from your rooms is at noon.

Committee stands adjourned until 9 a.m. tomorrow morning in Sudbury.

The committee adjourned at 1032.

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Legislative Assembly of Ontario

Second Session, 41st Parliament

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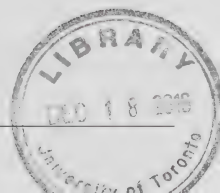
Mardi 13 décembre 2016

Standing Committee on Finance and Economic Affairs

Pre-budget consultations

Comité permanent des finances et des affaires économiques

Consultations prébudgétaires



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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRS

Tuesday 13 December 2016

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Mardi 13 décembre 2016

The committee met at 0902 in the Holiday Inn Sudbury, Sudbury.

PRE-BUDGET CONSULTATIONS

The Chair (Mr. Peter Z. Milczyn): Good morning, everybody. This is the Standing Committee on Finance and Economics Affairs meeting this morning for pre-budget consultations. Today we are in the lovely city of Sudbury.

ONTARIO FOREST INDUSTRIES
ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our first witness this morning is from the Ontario Forest Industries Association. Good morning. You have up to 10 minutes for your presentation, followed by five minutes of questions from the Conservative caucus. As you begin your presentation, if you could please state your name for the official record.

Ms. Jamie Lim: Good morning, Jamie Lim. Good morning, members of the standing committee.

How many sectors operating in Ontario today are older than Canada? I can think of two, and one of them is the Ontario forest sector. Forestry is the past, the present and the future of our great nation. For over 150 years, forestry has played a pivotal role in building our province. Ontario's forestry community is deeply rooted in every region of our province, supporting over 170,000 hard-working people with well-paying jobs.

Can forestry be Ontario's greatest opportunity? Absolutely. There are two reasons. First, the world wants wood. This is our time. Wood as a building material is experiencing a renaissance. Today's architects and engineers are choosing wood and building tall wood buildings like UBC's 18-storey Brock Commons residence, the tallest wood building in the world right now. Sourcing this renewable material from our own backyard is an opportunity to grow Ontario's forest sector and ensure "more inclusive growth that will help people in their everyday lives."

Second, trees are the answer. According to the IPCC report, in the long term, a sustainable forest management strategy will generate the largest sustained climate change mitigation benefit.

These two factors ensure that customers purchasing Ontario's forest products can do so knowing they are making a sound environmental choice while supporting local communities and Ontario's families. And they present Ontario with an opportunity to grow its natural advantage: forestry.

Minister Murray recently has commented that "solving an environmental crisis may create amazing economic opportunity for much more wide use of forestry products," and, "We do know now scientifically you have to cut the boreal forest because if you let it burn or the bugs get it, all that carbon goes back in the atmosphere, and we can't afford that with the climate change problems we have today. So harvesting it, planting new trees that are going to give you way more options to sequester way more carbon, is a good thing."

We're proud of our performance as it relates to reducing the carbon footprint of our products. On a total emissions basis, this sector has seen a greater than 60% reduction of CO₂ emissions since 1990. This is above the provincial targets. OFIA members are leaders in low-carbon energy, products, waste diversion and sustainable forestry.

By sustainably harvesting less than half of 1% annually, Ontario's renewable resource generates a domestic economic impact of \$11.8 billion, total wages and salaries of \$2 billion, and \$6 billion in domestic exports. As Minister McGarry pointed out last month, "We continue to promote Ontario wood to consumers, reminding people that our wood products come from sustainably managed forests. For every tree that is cut, three take root."

All forestry companies operating in Ontario must operate under the Crown Forest Sustainability Act, and, under that act, we must maintain the long-term health of the forest. It is the law. But radical environmental groups—professional panic merchants—want the public and government to think that even using less than half of 1% of our crown forests is still too much. These groups want you to think that harvesting destroys forests and causes deforestation. This is just not true.

Forestry does not cause deforestation. Deforestation is the result of harvesting and then not planting and/or letting the forest naturally regenerate because the land is needed for an alternative social need like farming or the creation of urban centres. Toronto was once a forest.

Trees are a renewable crop. Farmers feed cities; forestry builds them.

Like farmers, we harvest our crop, plant it and wait to harvest it again. OFIA's member companies are in the business of harvesting and planting trees. We're not in the business of destroying forests. Our future and the future of so many hard-working Ontario families depend on a crop of healthy forests.

Are there challenges? Yes, and the most significant challenge is consistent access to Ontario's industrial wood supply. We're concerned that the new, unbalanced public policy will curtail the future growth of Ontario's forest sector.

In order to grow Ontario's forest sector, companies—big, small, new and existing—need wood to keep mills open and people working. It is that simple. OFIA has completed an analysis of two recently approved policies and found that northern SFLs could face up to a 28% reduction in wood supply, impacting jobs and communities. The ESA mandate poses a serious threat to our sector and is at odds with the long-term healthy forest mandate of the CFSA. Today's ESA policy ignores social and economic filters, at the cost of working people.

Ontario's forest sector should not be asked to operate under two acts: the ESA and the CFSA. This duplication is not necessary. Earlier this year, Premier Wynne stated, "Our government is committed to creating a dynamic, supportive environment where businesses succeed. Reducing regulatory burdens is an important part of our strategy."

Unlike other sectors with no options to the ESA, Ontario's forest sector does have an option—the CFSA, which does manage for species at risk. Right now, Ontario's forest sector is operating under an ESA section 55 regulation, known as an exemption. Since 2013, CPAWS and FON have taken the Ontario government to court twice over this exemption, and twice the courts have sided with the provincial government's right to issue exemptions.

0910

The most recent court decision stated that "the protection afforded by the act to individual species members and their habitats is not absolute. The scheme or system of the act is to provide a presumption of protection with tools to address, among other things, social and economic conditions.... The statute recognizes that the protection of SAR takes place in the context of human activities."

Anti-forestry groups do not want social and economic filters applied to Ontario policy, and they also want you to think that forestry has a blanket exemption when it comes to species at risk. This just isn't true. Even though our sector is presently under an ESA exemption, we continue to operate under the CFSA and must, by law, manage for species at risk. So right now, in this region that we're sitting in this morning, even under an ESA exemption, hard-working people are being sent home for months at a time due to turtle timing restrictions. This is an example of unworkable policy that was passed without socio-economic filters, and for a species that

likely should not even have been listed "at risk" in the first place.

What can you do to ensure no one in Ontario is left behind? You can remove the duplication. Fulfill your government's 2007 equivalency commitment to allow the forest sector to operate under one act—the CFSA, which meets the goals and objectives of the ESA—and also develop workable species-at-risk policy using socio-economic filters.

In order to maximize the full potential of Ontario's renewable resource, create well-paying jobs and leave no one behind, OFIA is recommending action items in six areas.

In conclusion, it is our sector's ability to innovate and to adapt that has allowed us to survive two world wars, a Great Depression and a great recession. It has allowed our sector to still be here over 160 years—older than Canada. As a business community that is older than Canada, it is imperative that the Ontario government acknowledge the significant role the forestry community has in creating a prosperous, sustainable, low-carbon economy for the well-being of all Ontarians. With consistent, long-term, reliable access to affordable, renewable wood, our forest products community will continue to be the cornerstone of Ontario's economy, supporting, right now, 60,000 hard-working families, as well as communities and First Nations.

Together, with workable public policy developed in the context of human activity, we can build Ontario up for everyone. The future is forestry—

The Chair (Mr. Peter Z. Milczyn): Thank you. That's 10 minutes.

Ms. Jamie Lim: —let's grow it together. Thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Fedeli, you have up to five minutes for questions.

Mr. Victor Fedeli: I'll only ask a very quick question and then turn it over to Norm Miller.

Jamie, first of all, thank you for a very impassioned presentation. You did a great job, as you always do. We had three forestry presenters yesterday in Dryden as well. This is turning out to be a hot topic.

A quick question for you: How many million cubic metres do you see as the number that we need to harvest annually in Ontario?

Ms. Jamie Lim: That's a really tough question right now, Mr. Fedeli. We're doing some analysis at OFIA to see what's actually available. I would ask everyone—in your packages, I did give you this infographic; it's inside this document.

For those people not familiar with forestry, right now in Ontario, the darker green is all the forested land in our province. The lighter green is the area allocated for industrial harvesting. The red area is the area of our forests that are lost to bugs, fires etc., and that tiny blue dot is what we harvest annually. That little tiny blue dot supports 60,000 families in Ontario with well-paying jobs. Yet environmental groups that talk to you every day want you to think that that tiny blue dot is too much.

That's why you're hearing from so many of us at these hearings.

You're going to hear later from Frank Dottori, a legend in the sector. As well, you're going to hear from Christine Leduc, someone in her twenties who sees her future in the forest sector. I have Ian Dunn with me here today, from OFIA. He's in his twenties. The next generation gets it. They understand that you can cut trees and you can plant trees, and they grow, and it creates well-paying jobs. Those are difficult to find right now for the next generation, and our sector provides them.

So I'm hopeful, but at the same time, we need workable policy. Right now, we're probably harvesting over 14 million cubic metres. Technically, there are probably about 22 million cubic metres of merchantable wood that we can access affordably. But what we're seeing is policy coming in and even restricting the access to that wood that has been allocated to companies for harvesting. You might have invested money in a brand new sawmill—which is very rare in Canada right now, but we actually have that happening in Ontario—and then find out that because of new policies coming in, you can't get at the wood that was allocated to you. You can't run a mill, and you can't keep people employed, if you don't have wood. It's that simple. We can have all the best wishes in the world, but if you don't have access to wood, you're not running your mills.

When I talk to companies in this area—one family-run company has been operating for 72 years; I think they're into their fourth generation. Their 26-year-old son just joined the family business. They're sending people home for months at a time because of turtle timing restrictions. You can't support your family, you can't own a house and you can't run your household on seasonal work. Forestry was, for 12 months of the year, dependable work. That's what we need to make sure it remains.

We need to philosophically accept the fact that trees grow. It's a simple thing, and I hate saying it, because I'm not being condescending. But we get inundated all the time with this Disney World sort of vision of what happens to forests when they're harvested.

Last week, we tweeted a link to a Google site that actually shows you a forest that has been harvested, say—I don't know, Ian—30 years ago, and then it shows you what it looks like today. You can see that, yes, it was harvested, just like a farmer goes and harvests their hayfield in the fall. It was completely harvested, and then what do you see 30 years later? A beautiful young forest growing and getting ready for the next harvest.

That's what our sector is in the business of. We're in the business of planting, cutting and repeating. That's our business model. And that business model has allowed us to operate for 150 years.

Mr. Norm Miller: Do I have a minute?

The Chair (Mr. Peter Z. Milczyn): You have 20 seconds.

Mr. Norm Miller: Twenty seconds?

Ms. Jamie Lim: Sorry, Norm.

Mr. Norm Miller: Then I'll just make a statement. I'm glad to see you're focused on sustainable forestry. I had a constituent come with a proposal for a cross-laminated timber factory in Parry Sound last week. He showed me the 18-storey building built in BC and how there's 2,400 metres of stored carbon in that building. That's a great possibility—

Ms. Jamie Lim: And the wood that was used to build those 18 storeys grows in North America in six minutes, and it's an 18-storey building. We have the company that provided all of the timber systems for that building as our keynote speaker at OFIA's AGM this year. I would welcome all of you. It's free—my favourite word. It's March 1. Come out and hear about the systems that he's building, and how he contributed to building the world's tallest wood building.

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. Lim. Please do send that invitation out to all MPPs, then.
0920

Ms. Jamie Lim: I promise. I think we already have, but we will send the save-the-date again, because you really should come out and hear this.

The Chair (Mr. Peter Z. Milczyn): Thank you.

Mr. Victor Fedeli: It's in our books.

WHITE RIVER FOREST PRODUCTS LTD.

The Chair (Mr. Peter Z. Milczyn): Our next witness: White River Forest Products. Good morning, sir. You have up to 10 minutes for your presentation. Following that, there will be five minutes of questions from the New Democratic caucus. If you could please state your name for the official record as you begin.

Mr. Frank Dottori: My name is Frank Dottori. I have prepared a fairly brief three-page document, of which I have copies people can look at. Very briefly, I was just going to mention that I'm going to cover three items. I'm in a business—I'm an entrepreneur—so I won't get into all the social issues. I think that job creation is important. My presentation is going to cover three items: market access and development, manufacturing costs and investment incentives.

The government of Ontario needs to take a more balanced view, I believe. In Ontario, the current focus appears to be primarily on social services and the environment, with little focus on creating and supporting our manufacturing and exporting industries. Those are the industries that create the wealth. They create the taxes that are needed to fund all these social and environmental issues.

If you think I'm exaggerating, as I mentioned previously, just look at the recent court decision on the ESA or the turtle issue, and look at the action by our Ontario government. I think it needs a review.

The recommendations that I make are as follows: In market access and development, if we don't have a customer, we don't have business. I recommend the Ontario government commit to supporting the lumber industry as follows: Provide 90% loan guarantees to offset any

softwood lumber duties that are imposed by the US. This is very similar to what Quebec has announced and what is required to defend this industry.

We would like to see the Ontario government make strong representations, which they have not done to date, to the federal government and to the US that Ontario will not surrender its access to US markets and wants the 1.6 billion feet of access.

We want to support new buildings and building codes, as is done in Quebec, British Columbia and Europe. We should have the same thing in Ontario, especially.

The second item is manufacturing costs. Once you have a customer and a market, you have to produce a quality product that's competitive. Ontario industry has the know-how and the people to meet the challenge, but we need timely access—and I accent "timely."

The industry operates under some of the toughest, most stringent environmental standards in the world. I used to run a company that was an international company, and I can tell you that the regulations here are tougher than they are in Europe, contrary to what our local missionary environmentalists believe. They can go and check it and see what the difference is.

We need fibre access, as I think was mentioned earlier. Part of that is red tape. I've been in this business for 40 years, and for 40 years, I've heard that governments were going to eliminate red tape. What I've seen is that where there was one book of red tape, now there are probably three, so I think something is wrong here.

I think that we have to streamline approval levels. It shouldn't take eight months to open a gravel pit to repair your roads. It's incredible.

Companies should be made liable if they breach the regulations. I give an example: The government doesn't drive our cars or our buses; they set rules so that if you run the red light, you're going to get charged. Why can't we do that in forestry or in other areas of government? Why do we have to say, "Frank, if you're going to the washroom, you have to turn left two steps, then three to the right and four straight ahead"? It's ridiculous, I can tell you.

The other issue is First Nations. I know this is a delicate issue. People know me. I'm not exactly politically correct at times, but I think we have to address the issue, and it's with the claims. The industry does provide jobs and opportunities to First Nations people who want to work. The jobs are there, I can tell you; I run three plants. There are lots of jobs available if they want to come to work, so there's another issue there. We're not getting into that one. But the ongoing debate is the issue of territorial claims. It's killing jobs. Just look at what has happened in Ontario in the last decade, or look at what's going on today. You've got to address the First Nations issue and the treaty issues. We need to settle this once and for all, and move on. Otherwise, it is a major detriment to economic development today. All projects are held up for weeks, months or years.

Our recommendation is to set up regional economic development trusts, or funds, where a percentage of the

net government revenues from resources are placed in these funds to promote economic development and opportunities for the First Nations and the region where they operate—a sharing of profits from the land and its resources. It should settle some of these First Nations issues about, "This is mine; it's not yours."

I can tell you, I have set that up where we operate, and it has worked very well. I think the government should do it, but we're putting it in an economic fund that is used to promote First Nations economic development to buy equipment, to become operators, to get involved. I think the governments should be doing that, not me. But I'm doing it anyway.

The second one is energy costs. You can see that I've attached an invoice where a \$363 bill ended up at over \$12,000, if you could imagine—all extra charges imposed on us by IESO and Hydro One. Are you wondering why we're killing jobs in Ontario? You've got to throw the energy—it's going to need a complete review. You don't have to go very far. Just cross the border and look at Quebec. What you do sometimes in business is that you look at the winners and you imitate them. I think you need a complete review of what's going on in Ontario. Most jurisdictions use energy costs to promote economic development, not to kill jobs, which is what we're doing in Ontario.

A complete makeover is required. For people running for re-election: Understand that. Just look at the attitude the people of Ontario have towards energy. A bit of it is self-inflicted and a bit of it is inherited, as I know when this started back in Harris's regime. I was on part of the advisory committee and I pointed out that this was not the way to go if you want economic development. But we marched down that path and then went off on a few other paths that just killed the whole system.

Once you've got a market and we can run competitively—because we get wood—then the second thing is investments. I know that I'm a little bit of an exception. Even in my old age, I go out and still buy sawmills that have been shut down for five or six years, and restart them. Some people wonder whether that's a mental condition that comes with old age or not. Anyway, I think you've got to create jobs in this country, so I'm a missionary for that. Canadians are risk-averse, so you've got to do something to encourage Canadians to take a risk.

You need manufacturing industries. You have to have an income. A country is no different than a family. If you don't have income coming into the country, you're going to go broke sooner or later. Governments always do it later, but eventually—look at China. I spent a lot of time in China, right from the 1980s. They focus on jobs, jobs, jobs. The rest just comes. We've got to take a little bit of that philosophy here.

I know that this is a bit radical but I'm suggesting a new tax regime here. We have depreciation etc., but I'm saying that if companies make \$10 million of profit and they take \$10 million and put it in capex—improving their equipment—they should be able to deduct it from their income tax.

I think people who make over \$250,000 a year should pay tax at a 75% level. That 25% extra—over the 50%—they can offset by investing in Canadian equities or projects or risk the money, as we used to have.

0930

I started up a \$100-million company with a tax incentive plan where you could deduct it from your tax. People would say to me, “We’ll give you \$10,000 because we don’t want to pay it in tax to the government, which wastes it.” There’s an opportunity there to take that money, funnel it into a business, create jobs and let people decide where they’re going to put their money instead of the government. I think you’re going to get a huge investment fund and you’re going to create jobs in this country.

That’s all I have to say. Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Dottori. Questions will be from the New Democrats: Ms. Fife.

Ms. Catherine Fife: Thank you very much, Mr. Dottori, for coming in, and particularly for sharing your hydro bill. I do wish the Minister of Energy could see this because this has been an ongoing issue. This is your opportunity to tell this committee the full impact of the mismanagement on the energy file and how it will affect businesses, because clearly when you have a delivery charge of \$8,231, which you have here as a fixed charge—even when you try to conserve energy, I imagine.

Mr. Frank Dottori: That’s correct.

Ms. Catherine Fife: Can you please be really clear with us about the long-term impact of this policy on energy costs?

Mr. Frank Dottori: Well, I can tell you, I just bought Homepayne Power Inc., which is a cogeneration facility, for about \$25 million. We have to pay off the interest and hopefully make some margin, and our margin currently is about \$100,000. This bill is about \$100,000 per year. It’s crazy. They made us run a line for a kilometre to hook up onto Hydro One, but then they charge us \$100,000 to run \$300 of power. I can go on for an hour because I can tell you, I’ve spent the last two weeks totally frustrated dealing with the IESO. You can’t get an answer. They owe us \$2.3 million. Since October, they haven’t paid us. I’ve got suppliers that have families to feed. I don’t have a couple of million bucks to go and do the government’s job.

Because of article 5 or something, they made a mistake in getting the power that went in because they put a new person on who didn’t have the password. So nothing has happened for 60 days. When you call them, they say—first of all, if you can talk to someone—because now it’s a committee that’s some place out there; there’s nobody in charge—they’ll tell you, “Sorry, sir, we didn’t get the numbers.” I said, “You did get the numbers. You had somebody who made a mistake. You’ve admitted it. I’ve got Hydro One testifying you have the numbers on November 8.” “Sorry, sir; according to article 5, we have to follow the procedures. We didn’t see

the numbers until November 20, and therefore you have to wait until the next month.” It needs a wipeout.

Ms. Catherine Fife: That’s pretty clear. My colleague France has a few things.

M^{me} France Gélinas: Always nice to see you, Frank. I just wanted to ask about your market access: “Provide 90% loan guarantees to offset any softwood lumber duties imposed on Ontario producers.” How big of a difference would just this one policy make, if we were to pick one?

Mr. Frank Dottori: I’ve got White River running. It was shut down for six years, part of it because of the SWL, and of course the market—you’ve got to watch the market—also dropped by about 50% to 60%, so you can’t just blame the SWL. But I’m in the process—as a matter of fact, today, because I was a bit surprised. I wasn’t aware that I had to come here today until yesterday, so it took me a bit by surprise because the guy I had to tell me forgot, I guess, or something happened. So we have our own inefficiencies as well, in-house.

I’m starting up another mill up in Homepayne, which will create another 100 jobs right in the mill and probably another couple of hundred in the surrounding area, the same as we’ve done in White River. A 25% tax will shut us down. We can probably squeeze through while the currency is at 75 cents. But if the currency goes up, we’ll have to shut down. I think that the government in the US, and the coalition, knows that they can bleed us into submission. The last time they took four to five years—\$4 billion. I was running a big company at the time. It was the third biggest in Canada. We had reasonable resources as a big company because we had pulp and we had other facilities to keep our cash up. But the small sawmill operations? I’d say that they don’t have the financial strength. We’ve got to show the US that we’ve got—I guess I’ve got to watch my—what do you call it? You know what I mean.

M^{me} France Gélinas: Backbone.

Mr. Frank Dottori: Backbone. Yes, that’s a better word.

One way to do it is by saying, “Hey, we’re not going to surrender here. We’re going to support our industry. We’re going to defend our industry.” I’m critical; I say what I think sometimes. I think our Ontario Premier has to step up and say something. Every other province—British Columbia was in the media; they went to meet the federal government. Quebec is out there in the media. They’ve said, “If the federal government doesn’t do it, we’re going to do it.” Where’s Ontario? Step up, is what I’m saying.

The Chair (Mr. Peter Z. Milczyn): That is our time. If you have further written submissions you’d like to submit, you have until 5 p.m. on January 20. Thank you, sir.

MS. RACHELLE ROCHA

The Chair (Mr. Peter Z. Milczyn): Our next witness is Rachelle Rocha. Good morning.

Ms. Rachelle Rocha: Good morning, everyone.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes. Questions will be from the Liberal caucus. As you begin, please state your name for the official record.

Ms. Rachelle Rocha: My name is Rachelle Rocha. I grew up in Sudbury, and I've lived here my whole life. I love the north. I love this opportunity that you guys have taken to come to Sudbury to listen to us. I'm here strictly as a resident. I do have a background in health care. I've given you two simple pieces of paper.

A couple of things: Our tax rates are pretty high. Over time, we need to be careful that governments and rules and regulations don't overwhelm us. We've just heard two speakers talk about red tape. I'm here to tell you, as a resident, that I'd like to see less red tape, less government, less deficit. If we're trying to set examples for Ontarians, we all need to live fiscally responsibly. I'm concerned about overspending.

I want to just mention Ontario hydro—and I'm just a household. I gave you a copy of my bills from January 2010. That's what this lovely chart is. It's a little bit difficult to budget for hydro when—my house is the same house. I live in a rural location, so my delivery charges are quite high. There have been no changes. I don't heat my house with hydro. I heat my house with oil, and I have a propane cooktop. You can see that some months my bill is \$700. It can be as low as \$300. How do you budget this? And how do you live, paying an average bill of \$500—something a month? That's a crazy amount of money. Now we're going to privatize this, and we're going to let some CEO make a bunch of money—and us little guys living in rural communities, trying to stay in our rural communities, when this is a ridiculous expense to be able to manage. I just wanted to share that with you. I'm not really here to talk about Ontario hydro. That's not really the main thrust of my discussion, but I just think it would be interesting for you to consider. These are my monthly bills. You can see that the jump between 2010 and 2016 is about 61%. I can tell you, I didn't get a 61% increase in my salary in that amount of time. So I think some extra oversight to Ontario hydro, to protect Ontarians, would be quite helpful, especially since we Ontarians purchased all of those lines many, many years ago. I get it: When the ice storms come, we have to repair those lines. However, I don't think it should cost me that much.

I want to talk a little bit about health care. The last two bullets here have some sub-bullets, and they're about health care and supporting local agriculture. These two things are very inextricably tied. I think we have a lot of chronic disease in this world because of the way our food system operates. I care very much about eating locally, and it's very difficult.

One of my bullet points in here is about supporting local infrastructure projects. Until I went to a meeting last week, I didn't understand that out of our 20 million pounds of potatoes, hardly any of them get distributed to local grocery stores. They've all got to truck down to

Cambridge and then turn around and truck back. We're worried about our carbon footprint, yet we have no ability to support ourselves locally. Probably, most communities in Ontario are the same—but northern Ontario in particular, because the markets are in the south. If people are going to eat locally and eat sustainably, then we need to stop driving these things all around.

A friend of mine is a trucker. He lives in Barrie, drives to Leamington, picks up tomatoes, drives them to California, and comes back with another load of tomatoes.

Somebody needs to think about what we are doing system-wide. What's our system set-up? How is it set up? Is it helping us succeed, or is it helping us waste money and waste carbon? That's, I think, an important consideration that I'd like you to think about, if there's some way of looking at the global picture.

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I think that we need to look at the rules and the bureaucracy around small producers or new producers trying to get into the market. There are a lot of things that we could probably look at to make that easier.

I think that there is a growing trend of people who want to eat better, but the infrastructure for them to be able to purchase that locally produced stuff is really difficult, because our grocery store companies keep getting bigger and bigger and our granaries—we've lost the granary in Sudbury. We have to truck our grain out to New Liskeard or Verner—or the island, I think. But Sudbury is a pretty big town. We have some pretty big agricultural areas that we could support differently if we looked at the problem differently. I think this would make a big impact on our health care spending, because I think if people ate better, they wouldn't run into the problems they have with health care issues, and chronic disease like diabetes and hypertension.

So I'm going to flip back to my upper bullet point here about health care. I think that we need to sort out this electronic medical records business sooner than later. I know it's been an ambitious project and we're still working on it, but there's a lot of waste in the health care system because people just aren't able to communicate effectively about what's the need of that patient. Patients—we're getting better access. I can go to LifeLabs and get my blood results, but does the pharmacist get it? Does everybody get it who needs to get it? So we need to look at the global infrastructure rules around medications and health care and access. I just would encourage you to please try to resolve that medical health records issue sooner than later.

I recognize the burden you all have in managing the Ontario taxpayer dollar. I don't envy your position at all. I recognize that you're trying to give expanded scope of practice to allied health care professionals, and I really think that's wonderful, because our doctors maybe could focus on the more challenging aspects of health care. But as you create these expanded scopes for allied health professionals, you need to also create incentives to change culture.

I'll just speak as a pharmacist. We're getting 13 more vaccinations in December, which I'm really excited

about. But then, in the bullet point in the communication I received, it said, “You’ll get this free at your doctor, but you might have to pay at the pharmacy.” So we have to think about, if we’re really going to encourage people to try something new—I can tell you that pharmacists are kind of bookish. We’re not exactly sales and marketing experts. You could make it a little easier for us. If you just tried to set the system up in a way that customers will drive activities as well and that the health professionals will drive those activities—so just a consideration of how you can incent the culture to change. It’s a difficult thing to change, culture. But this is your job in government, to figure out those systems and principles to apply globally so that we can shift things in the right direction.

Those are all my comments—oh, last thing, I guess, when I flip back to agriculture: I’m a beekeeper, and so I get these notices about, “Are we going to finally ban these neonicotinoids?” I really think that we should. If we’re going to talk about the healthy environment, we really need to think about a clean environment that we can grow our food in and get it locally. That’s it.

So I gave you two pieces of paper. They’re just very summarized bullet points. Thanks for considering my comments today.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. We have questions from Mr. Baker.

Mr. Yvan Baker: Thank you very much for coming and speaking to us today and for your presentation. You covered a lot of territory; I almost wish we had more time to talk it through.

I wanted to share a few thoughts with you and then ask you a question, if I might. But I’m just going to spend a couple of minutes sharing some quick thoughts, because you did cover a lot of important topics.

I’ll start with health care, a topic that you spoke about, and electronic health care records. Absolutely, that’s one of the areas where, as you pointed out, we’ve been doing a lot of work, and there’s still a lot of work to be done. One of the challenges, of course, is that over the years, going back quite a long time, when components of our health care system started to set up electronic health records, they started using different systems. Those systems don’t talk to each other. Really, the most complex and, frankly, expensive part of this project is getting all the systems to talk to each other. But you’re absolutely right: It’s a priority, and we’ll continue working on that. I agree that there’s a lot of value there, and that will allow us to figure better care and more efficiently deliver that care.

You talked a little bit about—you have here a bullet saying, “Stop creating deficits.” You spoke to the importance of managing the taxpayer dollar wisely, and I couldn’t agree more. I come from a business background, from a finance background. One of the things that I shared with my constituents in Etobicoke Centre when I was running for the first time a couple of years ago was that I would work hard to help make sure the government spends taxpayer dollars more wisely, and that we work towards balancing that budget.

We’re committed to that still, in 2017-18, to balance the budget, but not in a way that’s arbitrary. I’ve been part of that process, so I can speak to it. We’ve been going through program line by program line in detail, to ask how we can get better results for this money, or how we can deliver the same results for less money. How can we drive efficiencies for the system but also preserve those programs and services and investments that are so important? I wanted to share that with you.

You spoke about hydro. There’s no question that rates have risen very, very quickly, and rates are too high for many of my constituents. I think the Premier herself recently noted that the burden of these hydro costs has become really difficult for many in Ontario. I know that the Minister of Energy has been tasked with addressing that particular issue.

There has been a range of things that have been done, and I’m sure you’re aware of many of those: the 8% rebate that people will get on their bills, as far as the rebate on the provincial portion of the HST; there have been steps to address the costs for rural consumers, who are particularly affected by this, of course. There’s a whole series of other programs—industrial conservation initiatives and others—to help retain and attract businesses to Ontario in the context of the fact that hydro rates are an important component of their cost base, and I could appreciate that.

I agree that we have a lot more work to do there. I think the Premier knows that and the minister knows that, so we’ll keep at that. But thank you for reminding us of that.

Ms. Rachelle Rocha: Great.

Mr. Yvan Baker: I wanted to go back to what you said about being a pharmacist. I have a good friend who is a pharmacist. She’s in my riding, and she and I talk a lot about the perspective that you share. You spoke about the need to expand the scope for allied health professionals—I’m looking at your bullet here. Could you just talk about why you think that’s important, not just for you, as the health professional, but also for people out there who are seeking health care?

Ms. Rachelle Rocha: I was part of Health Care Connect for at least five years before I got a doctor. I thought that was quite funny. I’m a pharmacist. You’d think I’d be able to convince someone to take me as their patient.

I think access is really the most important thing. The more rural you go—and northern Ontario is pretty rural—the harder it is to find a doctor. I think if you could figure out who could be good at some of those elements that are currently being held by the physicians, you’re going to be able to provide greater access.

As we know, our society is getting older, and they’re only going to require more and more care, and more high-level care. I think there are a ton of places—look at Alberta. They’ve already got the scope to get minor ailments done by the pharmacist, and that’s a really accessible person. A lot of pharmacies are open extended hours. I just think it would relieve the burden.

I get it: There’s a bit of a turf war going on. Everybody wants to preserve what they have. But if we’re

going to successfully build a future, we've got to do some things differently. You can't do the same thing over and over again and expect a different result.

I think it's a very good move. I think there are a lot of allied health care professionals who can do more, and they should be.

It just seems to me that when you shift it over, you're not always following it up with a reimbursement strategy for the new people, and the old ones—I think you need to change their reimbursement. Make it less cost-effective for them to continue to provide that. You can still get a deal with the new guys.

I think it will move things along. But you have to follow up with the proper incentives or disincentives to the right places.

I just want to encourage you to do that. Because pharmacists are not great sales marketers, right? There are just very few of us who like that sort of thing.

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. Rocha. That's all your time for today.

Ms. Rachelle Rocha: Great. Thank you very much for your time.

The Chair (Mr. Peter Z. Milczyn): If there's anything you want to submit in writing to the committee in addition, you have until 5 p.m. on January 20.

Ms. Rachelle Rocha: Okay. Thank you very much.

EACOM TIMBER CORP.

The Chair (Mr. Peter Z. Milczyn): Our next witness is Eacom Timber Corp. Good morning. You have up to 10 minutes for your presentation, followed by five minutes of questions from the PC caucus. If you could state your name for the official record as you begin.

Ms. Christine Leduc: Christine Leduc, Eacom Timber Corp. Mr. Chair and members of the standing committee, my name is Christine Leduc. I'm the director of public affairs with Eacom Timber Corp., a large eastern Canadian wood products company. I would like to acknowledge my colleagues Brian Nicks and Keith Ley, who came with me today to show how important these sessions are.

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It's a pleasure to appear before this committee today in Sudbury, an hour from our nearest mill, where 170 proud employees are right now working to produce Ontario softwood lumber. Our operations include the manufacturing and distribution of lumber and wood-based value-added products, as well as the sustainable management of Ontario crown forests. In fact, we directly manage over 1.6 million hectares of Ontario's forests, and are involved in the management of another 6.2 million hectares, a responsibility we share with others. That's so much forest that it's hard to even put in perspective.

With five sawmills and the majority of our operations in this province, Eacom is the largest softwood lumber producer in Ontario, and our high-quality Ontario wood products build homes in North America. We believe in

the strong potential of Ontario to be a leading forestry jurisdiction and are committed to this province. We've invested over \$55 million in Ontario since 2012, rebuilding our Timmins sawmill and restarting Ear Falls in northwestern Ontario. We continue to modernize our mills, and the next investment will be announced in January.

Ontario's forests are vast, sustainably managed, independent-third-party-certified and strategically located next to the northeast US and, of course, GTA markets. Eacom is dedicated to keeping its assets strong and positioning ourselves for future stability. I won't be the first to tell you that we now face some uncertainty in light of the softwood lumber trade dispute with the Americans.

To realize further growth and investments, we require the active collaboration and support of an Ontario government fully attuned to our own imperatives of secure long-term wood supply and a predictable forest policy environment. For ongoing business confidence, Eacom needs reliable and affordable access to wood supply, socio-economically feasible forest policy and resourced public road support. I'll talk about each of these quickly.

For the first part: Access to wood supply is critical. Eacom needs consistent long-term access to its wood commitments and asks the government to commit to conducting transparent socio-economic assessment of any new or revised legislation or policy that could impact the sector. To be clear, government policy does have an impact on wood supply and directly affects production, investments and employment today, and could in the future.

The forest products sector needs appropriate, balanced public policy that provides for all three pillars of sustainability: environmental, social and economic. Eacom would like to work with the government to develop a solution that respects its commitment to harmonize the Crown Forest Sustainability Act with the Endangered Species Act.

We are grateful to the Ontario government for its commitment towards and maintenance of the public resource roads program, at \$60 million for 2015 and 2016. This funding supports the construction and maintenance of roads in the forests we manage, supporting our sustainable forestry activities and benefiting the other users we share the forests with. This program allows us to go above and beyond legal and regulatory requirements, providing robust long-term infrastructure for all users of the forest.

Eacom is supportive of the industry's ask to enhance the program to the \$75-million level in order to support growth in our sector, but I'm here to stress the importance of maintaining this critical competitiveness measure at \$60 million for 2017, governed using the existing funding formula.

Eacom is prepared to work with the Ontario government to create a prosperous, sustainable economy for the well-being of all Ontarians. We hope we can count on the

government's support of our company's effort to maintain and enhance Ontario's softwood lumber industry and associated communities with the health and prosperity that can and should be theirs.

To conclude, we are a very proud member of Ontario's forest sector, and our company expects to see continued growth, providing high-quality, sustainably harvested wood products to help the province achieve its fiscal and environmental objectives.

I would like to thank you all for your time today. Best wishes for productive consultations and safe travels.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Mr. Miller?

Mr. Norm Miller: Thank you for your presentation.

I'll start with, seeing as you have five mills that are softwood lumber mills, what your recommendation is for the Ontario government to be doing with regard to the possibility of softwood lumber duties from the United States.

Ms. Christine Leduc: Canada's industry is under attack now, so certainly we're looking to work with provincial governments to ensure that there are some resources available so that we can weather those uncertain times.

There's a lot of uncertainty at this point. We're not sure what the duties will look like. Predictions can be very scary. It will just be important for us to continue to maintain contact with government and make sure that programs are available when the time comes.

Mr. Norm Miller: Two presenters ago was Mr. Dottori, and his recommendation was to follow Quebec's lead, which was a 90% loan guarantee to offset any softwood lumber duties imposed. Has your company looked at that, or is that a suggestion you think makes sense?

Ms. Christine Leduc: Certainly, the government will have a role to play with providing some support for companies.

Mr. Norm Miller: So you haven't looked at that particular one.

We've had a few presenters in the forestry sector talk about the Crown Forest Sustainability Act and the Endangered Species Act and how they essentially duplicate—and they conflict as well, because the Endangered Species Act is managing for one species, and the Crown Forest Sustainability Act is managing for the whole forest and all species. If you protect the one, it hurts the other at many times.

Ms. Christine Leduc: It's difficult to harmonize when one act prioritizes individual species and another act mandates the management of healthy forests. The government right now is working to harmonize the two acts, a task which is proving to be very challenging. Certainly, we're concerned because of the potential impacts to wood supply.

Mr. Norm Miller: And there's currently an exemption in place, which is being challenged in court by environmental lobby groups. It seems to me that the Crown Forest Sustainability Act, according to other companies

and groups that have come before, has worked quite well. What would you like to see happen?

Ms. Christine Leduc: The exemption was challenged in court, and the Ontario government was successful, so there's no legal challenge at this time. The Ontario government was successful in that process.

The Crown Forest Sustainability Act is what makes Ontario so world-class in its management of crown forests for all Ontarians. It's an interesting challenge because the acts are very different, and so we would certainly like to have some predictability in our forest policy environment. We're very much looking for the Crown Forest Sustainability Act to take precedence.

Mr. Norm Miller: On roads, the support program for forestry roads: You said that you wanted the \$60 million maintained. Other groups have come and said they'd like to see \$75 million—

Ms. Christine Leduc: An enhancement, yes.

Mr. Norm Miller: Sorry, the other groups have come and said that they'd like to see it increased to \$75 million. Are you—

Ms. Christine Leduc: To support growth in the sector. We're absolutely supportive of that. I just need to stress the importance of the \$60 million. It's a critical competitiveness measure. It's critical for us, in light of what's coming ahead with this trade dispute with the Americans, that that funding is maintained.

Mr. Norm Miller: In terms of considering the socio-economic concerns in forestry, we had the Ontario Forest Industries Association here before you talking about how forestry in some areas is being turned into a part-time industry because of management for turtles, for example, again connected with the Endangered Species Act. How do you think jobs and socio-economic considerations should be considered in government planning?

Ms. Christine Leduc: We would like to see—and this has been a long-standing request of the industry—some socio-economic impact assessment of all policies that are revised or introduced that can impact the sector, because reductions to fibre supply do have an impact on our ability to harvest the forest, which does have an impact on employment.

The Chair (Mr. Peter Z. Milczyn): Twenty seconds.

Mr. Victor Fedeli: If you were to summarize, then, what we've heard from you, the two previous presenters and the three presenters yesterday: It's about a secure wood supply; it's about harmonizing the two acts; and it's not just socio and it's not just economic, but it's a socio-economic feasibility. Then the fourth one, which falls a little lower, is the \$60 million for sure; maybe \$75 million. Is there anything that I've missed in that, or is that the summary?

Ms. Christine Leduc: No. I'm happy with your summary, Vic. Thank you.

Mr. Victor Fedeli: Okay. Thank you for being here. It's great to see you today.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. If there is anything in writing you'd like to provide to the committee, you have until 5 p.m. on January 20.

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SUDBURY AND DISTRICT HOME BUILDERS' ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Sudbury and District Home Builders' Association. Good morning. You have up to 10 minutes for your presentation, following which there will be five minutes of questions from the New Democratic caucus. If you could please state your names for the official record as you begin.

Mr. Louie Zagordo: Good morning, Mr. Chairman and members of the committee. My name is Louie Zagordo. I am president of the Sudbury and District Home Builders' Association. With me is our executive officer, Laura Higgs.

We are proudly affiliated with both the Ontario Home Builders' Association and the Canadian Home Builders' Association.

Thank you for making the trip to Sudbury and giving us the opportunity to speak to you on the upcoming budget.

As owner of SLV Homes in Sudbury, I have over 30 years' experience in both new home construction and home renovations. Working through the ranks of the construction industry has provided me with extensive knowledge and experience related to all aspects of the industry.

Ms. Laura Higgs: The Sudbury and District Home Builders' Association is the voice of new housing, land development and the professional renovation industry in Greater Sudbury. Our association includes more than 90 member companies.

Here in Sudbury, the residential construction industry is vital to our economy. We support nearly 3,000 jobs in the new housing and residential sector, paying \$165 million in wages. The total annual investment of our sector represents \$345 million across our region.

Residential sales rose an estimated 7.8% in 2015. However, most of this growth was reflected in the resale market. New home permits, by contrast, have steadily declined in the last several years. For example, there were 419 new home construction permits in 2013. In 2015, that declined to 242, with a bit of a recovery this year. We expect next year and 2018 to keep pace with 2016. I think right now, we're at just over 250 new home permits in the Sudbury area.

Along with economic challenges, our industry faces approval delays. In some instances, projects have the support of planning staff and professionals, but politicians will turn them down. This can result in projects being appealed to the Ontario Municipal Board.

These examples don't just represent a roof over a family's head but also represent thousands of jobs, from skilled trades to architects, planners, engineers and other professionals in our industry.

In Sudbury, we continue to be concerned that the recovery from the recession has been sluggish. We have some industries that are doing better, such as retail,

wholesale trade, and health and social services. But we also have an economy where thousands of local skilled workers depend on mining sector and various ancillary industries. So we have patches of good and bad here in Sudbury, which produces mixed results for the housing industry.

Today, we're going to focus our remarks on three areas related to the budget and provincial priorities: (1) the underground economy, (2) climate change, and (3) local infrastructure priorities here in Sudbury.

I'd like to highlight "professional," and that means we promote the RenoMark program and insist that our members are Tarion-registered builders. This helps to protect consumers by ensuring that our members provide warranties and written contracts, carry insurance, pay their taxes and obtain all necessary permits. This is in contrast to perhaps the majority of this sector, which is either of the do-it-yourself variety, which is fine, or the shadier side of the business, which is the underground cash economy.

Mr. Louie Zagordo: These underground operators pose a serious risk to government, to legitimate businesses and, most importantly, to homeowners, who may want to be thinking that they are getting a deal. The problem is, by paying cash to the underground operator, they don't typically pull out permits, which means that plans, let alone the projects themselves, are never inspected. These guys don't pay EI, HST or WSIB. They likely aren't filing income or corporate tax returns.

I would suspect that their concern towards on-site health and safety is likely lacking. Should an accident or injury occur on a site, it is the homeowner who is actually liable. These cash operators are competing with legitimate businesses who are doing the right thing and playing by the rules, paying their taxes and obtaining all necessary permits. I am sure you can appreciate that it is pretty difficult to compete on a level playing field with underground operators who are doing none of these things.

A cash deal may sound attractive to some homeowners, but they place themselves at tremendous risk. They create an unlevel playing field for Ontario businesses, and they cheat hard-working, regular taxpaying Ontario citizens by not contributing their fair share of taxes that should be supporting our hospitals, schools and infrastructure. In Sudbury, about 40% of new home permits are taken out by private individuals, and we don't believe that that many people know how to build a home.

It is time for serious action to combat underground cash renovations. I would like to suggest a couple of ideas. Similar to the expired federal government's home renovation tax credit, the province should implement an Ontario home renovation tax credit to deal with the problem of the underground economy in the renovation sector by offering a tax credit to those who collect receipts from legitimate businesses and submit those receipts to CRA.

This is where the climate change piece comes in. I think that the Ministry of the Environment and Climate Change has an incredible opportunity here to invent

transformational change, and should be looking very carefully at this concept. While new construction has a role to play—and we have just stepped out of a building code workshop to be here today—we have communities here that were built decades ago, when energy efficiency and insulation standards were either nonexistent or miles behind where we are today. These buildings generate a lot of greenhouse gas emissions, but this is where a huge opportunity lies that can be tied to our proposal for a new home renovation tax credit.

This is our idea that we'd like you to consider for attacking the underground economy and targeting greenhouse gas emissions: The provincial government should look at developing an energy-efficient-home renovation tax credit. This could be funded through the money generated from the proposed cap-and-trade system. Only certain renovations that upgrade aging housing stock to improve energy efficiency or insulation and thus reduce greenhouse gas emissions would qualify.

The Ministry of the Environment and Climate Change could come up with the appropriate criteria to ensure that we are getting the best bang for the buck in terms of what would qualify and what the impact on greenhouse gas emissions would be. We think that an energy-efficient-home renovation tax credit hits two of the government's top priorities, and it can be designed to reduce greenhouse gas emissions and also be leveraged to target the underground economy.

We also believe that every new home permit issued should be reviewed by Tarion's new-home warranty program. Many of the components of new homes are being built and installed by underground operators who are not playing by the same rules as professional builders.

Ms. Laura Higgs: I'd like to close our presentation today with a few words about infrastructure specific to our region. Our association strongly supports infrastructure investments made toward strategic projects based on clearly defined priorities. We believe the expansion of core infrastructure—and by that, I mean setting clear priorities for roads, bridges, transit, water and waste water to support our economy. But also just as important is ensuring that we have in place long-term asset management plans to ensure the ongoing maintenance and state of good repair for our existing infrastructure.

Infrastructure investment should be more strongly coordinated among all three levels of government, which would provide stability and predictability as to when and where infrastructure dollars are going to be spent. This would allow for the private sector to adequately plan projects and target our investments to better align with new and upgraded public infrastructure facilities.

Locally, the provincial government has made some investments and commitments to the future of the Sudbury area, and for that we are thankful; for example, the Highway 69 project and the recent commitment to the Maley Drive project.

1010

In closing, I'd like to thank you all for your attention today, and I'd like to reiterate our key themes. Ensuring

that we can continue to deliver a housing supply to the marketplace is a challenge. We need to ensure an efficient and effective approvals process and that critical infrastructure is delivered in a timely manner. We support a permanent energy efficiency home renovation tax credit designed specifically to combat our underground economy and also assist in improving the energy efficiency of our existing housing stock. We support a program whereby all new build permits are reviewed by the Tarion new home warranty corporation.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Your time is up. Madame Gélinas has questions for you.

M^{me} France Gélinas: Good morning. It's a pleasure to see you this morning. Thank you for coming to committee.

We've always liked the idea of a renovation tax credit. What is the minimum size that the amount must be to actually have an impact on your industry and have an impact on the end goal of making every Sudburian's house more energy efficient?

Ms. Laura Higgs: Do you mean in a dollar amount or—

M^{me} France Gélinas: Whichever way you want. If it's too small, if everybody gets 100 bucks, is this going to have an effect?

Mr. Louie Zagordo: In my experience of renovations, I would say somewhere in the neighbourhood of between \$5,000 and \$10,000, if it's a substantial renovation of \$100,000, which is what's warranted out there these days. People have equity in their homes, and when they do consider a renovation, it all starts off with just starting with the kitchen, for example, and it leads to substantial—\$100,000 is fair, so a \$5,000 credit would probably be a good start.

M^{me} France Gélinas: Based on 5% of your total project that is dedicated to energy improvement of your home—or a set amount?

Mr. Louie Zagordo: I think just a set amount would be fair.

M^{me} France Gélinas: All right. In the new homes that you build now, does anybody choose to heat with electricity?

Mr. Louie Zagordo: No. I don't get very many of those, unless we don't have a gas line close by.

M^{me} France Gélinas: If they don't have a gas line close by, what's the number two choice?

Mr. Louie Zagordo: Propane.

M^{me} France Gélinas: And the number three?

Mr. Louie Zagordo: Then we opt for electricity.

M^{me} France Gélinas: When you have no more choice?

Mr. Louie Zagordo: When you have no more choice. Wood-burning sources are minimal—not very much.

M^{me} France Gélinas: In home renovation—you've talked about 40% of the new homes going to private builders. Of the 40%, I'm sure there are people in there who don't know how to build a home.

If you go into the renovations market, are most of the renovations targeted at upgrading your kitchen, or are a lot of them still targeted at making your home better insulated so that you can save on energy costs?

Mr. Louie Zagordo: The target is more on the new kitchen and the granite countertop. That's where it starts. Once you start discussions, then you get into the energy efficiency of the home. That's what makes the renovation more substantial.

M^{me} France Gélinas: So if we go with your \$5,000—you may get the job because they want a new kitchen, but once you're in there, you say, "Did you know there's a \$5,000 tax credit available to you if you make your home more efficient?" Do you figure there would be a market in Sudbury for that?

Mr. Louie Zagordo: I think they should know that up front. It shouldn't come from the builder or renovator. It should just be out there to the public—knowing that if they want to do some work, they can apply for the credit. So it should be public awareness first.

M^{me} France Gélinas: Ontario has a program for people who need to renovate to stay in their homes. Is this well known, and do you see it used at all?

Mr. Louie Zagordo: I don't see it—it doesn't cross me very often right now, so I think there needs to be some more awareness.

Ms. Laura Higgs: The home builders' association is aware of it. We do have the pamphlets in our office. We make them available whenever we're out in the public. We've had them at our recent home shows, which we do in the spring of every year, but it isn't something that I hear our members asking me for a lot of information about on a regular basis.

M^{me} France Gélinas: Can you think of a better way to make homes accessible so that people can age at home than what we have now? If you were to be the one in charge, how would you go about that?

Mr. Louie Zagordo: I'm going to go back to what I said about the underground economy. If we can just target more the legitimate businesses and the Taroni-warranted companies, have more policing for the WSIB and income tax returns and so forth, I think that should just all line up itself with the tax credit. Because, let's face it, when the flame is burning tall, everybody succeeds; when the flame starts to drop, everybody starts to fade away. That happens in our building industry.

M^{me} France Gélinas: So you would—

The Chair (Mr. Peter Z. Milczyn): Thank you. That's all our time for today. If you do have any written submissions you'd like to submit, you have until 5 p.m. on January 20. Thank you very much.

Ms. Laura Higgs: Thank you.

MS. DIANE SUSKI

The Chair (Mr. Peter Z. Milczyn): Our next witness is Ms. Diane Suski. Good morning. You have up to 10 minutes for your presentation, followed by five minutes of questions from the Liberal caucus. As you begin, if you could state your name for the official record, please.

Ms. Diane Suski: My name is Diane Suski, and I'd like to take this opportunity to speak on two matters that I believe have caused deep concern and should be considered during these pre-budget deliberations.

As a retired insurance broker, I've taken a close look at the effects of the automobile insurance reforms that came into effect for insured motorists in Ontario effective June 1, 2016. In 2013, the Wynne Liberals agreed to the NDP demands to reduce the Ontario automobile insurance premiums by 15%. The actual projected savings are estimated at only 6%. What in fact has happened is a huge reduction in accident benefits coverage. Automobile insurers were mandated to meet the target set by the government, and this has been transferred to policyholders in the form of reduced coverage—important coverage that can make a huge difference in the event of a catastrophic or even a non-catastrophic loss.

Every insured motorist must buy accident benefits coverage when purchasing liability coverage. With it comes component coverage for rehabilitation, medical expenses and attendant care. Now these have been greatly reduced to the tune of over \$1 million. It's coverage that could go to support these medical, rehabilitative and attendant costs that eventually will be transferred to our health care system. What Ontario motorists must now purchase—yes, they must pay more insurance to offset the reduction in coverage—has been compromised in the event of a loss. In my particular case, it will cost an additional \$105 per policy just to maintain prior-to-June-1 coverage levels.

My understanding is also that there have been changes to the definition of "catastrophic." I am not able to find them at this time in any documentation or bulletin on the FSCO website. According to the FSCO website, there are over nine million drivers and 6.7 million private passenger vehicles insured in Ontario. According to Brian Mills, the CEO and superintendent of FSCO, "Ontario drivers need to know if the changes to auto insurance reduce something that is important to them. Understanding their coverage and the options is crucial to ensuring they are protected in the event of an accident." This is a huge and, I believe very unfair, onus on every-day Ontarians to understand a very complex product. I am sure most of you do not understand the fundamentals of your own automobile policy, and this is a worry, that most insureds may not even be aware of the erosion of their coverage.

1020

I am asserting that these changes are detrimental to Ontarians. This is unfair. It is a hidden cost to people, with extreme and dire consequences should something go wrong. When something does go wrong, it means that there's another burden being placed on our fragile health care infrastructure: to support the medical and rehabilitation costs for accident victims who are unable to recover costs from the insurance carriers. To close on this point, can we please expect our legislators to study and plan before legislating changes that have such a profound effect on Ontarians?

Secondly, I want to join the rest of Ontarians in speaking against the high costs of hydro. I am a Sudbury utilities customer as well as an Ontario Hydro client. I currently pay approximately \$8,762 for two residences. Not only have I experienced an increase in hydro costs for both our locations, I see specifically how it has affected seniors. Many are not able to accommodate the increase in costs, especially on fixed incomes. Young families juggling additional living costs are also struggling. One large employer in our area has said that although he spends tens of thousands of dollars monthly on hydro charges, his biggest concern is his employees. These are hard-working individuals who are struggling to make ends meet.

I believe the hydro portfolio needs to be revamped. This budget must allow for a more significant rebate and perhaps even an energy tax credit to every hydro stakeholder in this province. The proposed changes to the portfolio should start by reviewing the salaries of executives. At \$4 million for the CEO, I believe there could be huge savings for ordinary folks, especially when I compare that with the CEO and president of the New York Power Authority, who makes C\$251,506 in total compensation per year, and the CEO and president of Hydro-Québec—he performs other positions as well—who makes an estimated \$558,149 in total compensation. There are at least 148 hydro employees who make more than \$250,000 per year and 12,500 who make more than \$100,000.

I believe it's time for a complete operational and financial review of hydro. I have a difficult time watching how these huge increases have affected the hard-working families—and seniors with eroding fixed incomes—in our community, many struggling to make ends meet because they could not anticipate these inflated costs. I want the government to give this serious consideration.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. We have five minutes of questions, beginning with Mr. Rinaldi.

Mr. Lou Rinaldi: Thank you, Ms. Sooski, for being here today.

Ms. Diane Suski: It's Suski.

Mr. Lou Rinaldi: Suski; I'm sorry. I apologize.

Ms. Diane Suski: I've been called worse.

Mr. Lou Rinaldi: That's my line.

Interjection: That's true.

Mr. Lou Rinaldi: It's true.

Thank you again for being here today.

Ms. Diane Suski: Thank you.

Mr. Lou Rinaldi: You do bring some insights. I'm not an insurance expert, like you are.

Ms. Diane Suski: I'm hardly an expert. I'm just a very poor payer for insurance premiums these days.

Mr. Lou Rinaldi: But I believe—

Ms. Diane Suski: I was in the insurance business.

Mr. Lou Rinaldi: You were; okay. I guess that's what I was referring to.

The other issue is that insurance premiums in Ontario are different in different jurisdictions—for a number of reasons.

Ms. Diane Suski: Yes, they're rated.

Mr. Lou Rinaldi: I can tell you that I've had the same agent for a long, long time, and I deal with one agent. I don't deal through a bank because I really feel the personal piece. I do review—I'm not going to say every year, but at least every couple of years—whether it's my home insurance or my car insurance, and see if I have enough coverage, and try to understand some of the things that you mentioned today.

One of the things I found, actually, two or three years ago, maybe four years ago, is, for example, as MPPs, we do have some health benefits through government. Some of those things that were part of my insurance for the car, specifically, are now covered; we have access through our government program. Those are the kinds of things that I look at.

My fear is—maybe you can comment on this—that too many policyholders don't take the opportunity to get their bill. You're right: They might not examine everything that they do.

What can FSCO or government do to make sure that we understand these things better? How do we communicate that to the public? Or any other ideas?

Ms. Diane Suski: It's a bit of a difficult conundrum, I think, in terms of educating the public, because it's one of these products that—people really don't want to sit down and talk about insurance. I spent a whole lifetime trying to sell it. I know they don't like you when you knock on their door. But unfortunately, you need insurance, and without it—

Mr. Lou Rinaldi: Yes.

Ms. Diane Suski: I mean, insurance has rebuilt communities because there have been catastrophic losses. The industry is important to our livelihood, but the problem is, it's complicated.

How you get people to want to know more, so that they can be educated and know that they need certain coverage, is you de-complicate the product. Make it easier to understand. Everybody knows the term "PLPD." They don't even know what it means. They know they have comprehensive, and sometimes they call it "comprehension." I'm not making light of it; I'm just saying that there's a lot of misinformation about the product in the marketplace. There are a lot of different vendors that play by different rules.

I'll tell you that I went through a whole remarketing exercise this spring. This new bill is coming into effect June 1. I was negotiating this summer, and the new company I was going to never made mention about the reduced coverages under accident benefits. When I called my broker back and said, "Listen, I'm getting it for \$1,800 less"—this is the combined home and auto—he said to me, "Well, you do know about the reformed auto changes and the impact that it could have."

I think that there is a responsibility, if you're going to reduce coverages, that everybody should understand the

impact. I think we all read the story about the gentleman in Hamilton who, the day after the act changed or that the coverages were reduced, is in for rehabilitation for the rest of his life, and how he's a million dollars shy of being able to be rehabilitated and to be taken care of.

Un-complicate the product. Make it user-friendly so that people can sit down and understand what attendant care is, what rehab is, and they'll be happy to pay the \$105.

Also, don't make promises to reduce premiums when you can't, and make it a compromise on coverage. That's so important to our society. We have people who can barely afford to live, and now their basic coverages are being reduced. It's just not fair.

The Chair (Mr. Peter Z. Milczyn): Thank you. That's all our time.

Mr. Lou Rinaldi: Oh, really? Really?

Ms. Diane Suski: Too bad. We were having so much fun.

Mr. Lou Rinaldi: Thank you for being here.

The Chair (Mr. Peter Z. Milczyn): If you have anything in writing that you'd like to provide, you have until 5 p.m. on January 20. Thank you very much.

MS. MARGUERITE GROULX

The Chair (Mr. Peter Z. Milczyn): Our next witness is Marguerite Groulx. Good morning.

Ms. Marguerite Groulx: Good morning.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, following which there will be five minutes of questions from the Conservative caucus. If you could please state your name for the official record as you begin. Maybe lean into the microphone so we hear you well.

1030

Ms. Marguerite Groulx: Hello. My name is Marguerite Groulx. This is my first time presenting. Here are my comments—and I'll be speaking on Ontario hydro. Can you hear me?

Interjections: Yes.

Ms. Marguerite Groulx: What are transportation costs and what is included in that on my hydro bill? My hydro bill for October to November has a code, TOU R1. What does that code represent? The code is TOU R1.

My present hydro bill is with GSU here in Sudbury. Usage is 1175.020, and the cost is \$525.45 on my bill from June 23, 2016. My bill for August 24, 2016, was \$370.64; for October 25, 2016, it was \$380.71; and for November 24, 2016, it was \$230.43.

We paid for our electric water heater. My GSU water bill for June 24, 2016, was \$165.73 and \$380.71 for August 24, 2016. The next one was September, and it was \$143.17. October 25 was \$145.15. Starting November 24, 2016, we were charged \$77.60 on equal billing. We own our water tank. The bills are always much higher in the winter months, and I don't know why, because our home is heated with natural gas.

Hydro rates are extremely high. People who are on fixed incomes cannot afford the increases, as our pension doesn't go up, and the price that hydro is charging is more and more. In the wintertime, the cost is so much that sometimes groceries suffer. Even with the use of gas, my bill is through the ceiling. My house is only 900 square feet and is well-insulated, yet I still have bills of over \$300 in warm months, such as October and November.

Our water heater is turned down as low as we can. Because of showering, the hot runs out, causing frustration with the family.

A seniors' discount should be applied to hydro bills, especially for disabled seniors.

Ontario is the biggest province in Canada and one of the wealthiest. We have the best natural resources to produce cleaner hydro, yet we pay the highest rate of all the provinces in Canada. Why is that?

We have received our bill for November and December, and hydro is changing the billing to every month instead of every two months in 2017. I feel that even changing it to every month won't stop them from raising the prices. A hydro bill every two months is more cost efficient than changing to monthly billings in December 2016, and maybe even this January 2017.

Necessary hydro usage for health and disability reasons to enable two seniors, my husband and I, living at home: They should be able to continue living at home. I have two living room chairlifts so it will be easier for me to get up from my chair, to bring me to the main floor—and one to go to the basement when we have guests. I'm sorry; I said it was for my living room but I meant the chairlift to go up the stairs.

I have a living room chairlift to be able to get me up from my chair. I need these to allow me to go where I need to. I need this to be able to go out of it and get to the destination where I need to go. I have a CPAP. That's something that I have to have at night to be able to breathe properly, to help me breathe when I'm sleeping at night. The machine works all night and the machine has a heating hose to heat the water at nighttime. I have two chairs for me to go up and down if I have chores to do. All the lights of the house have been changed to LED. I go around to check to see that there are not any lights on at night before bed and that all the electrical outlets are out. All of these things are required for medical reasons.

I need the cellphone charged for emergency reasons. My husband and I are both diabetics and we are on scheduled meals, and we need the stove and microwave. Also, I do my wash during the day because I need to sleep at night. I ask that everybody take their baths after 6. I have other health problems that require hot beverages.

I have a cleaning lady that comes over every second week to do my housework. I also have a nurse who comes twice a week. I also have a hairdresser who comes once a month and who requires a hair dryer and curling iron to do my hair. At times, she also gives me a perm. Our hot water is electric and we use that daily.

Both my husband and I are on a fixed income—a pension. I'm 67 and my husband is 74. We don't get increases when public utilities go up. It is shameful for seniors with or without disabilities. It is not our fault that tax dollars are wasted on the rich while the poor people like myself have to decide to eat or have light. We are being gouged in all the necessities of life.

We pride ourselves in taking care of refugees but we omit our own citizens. I was taught in life that you take care of your yard first and then, if you have extra, you take care of another yard.

Aging people in Ontario, seniors, and especially seniors with disabilities, should be eligible to receive a hydro usage discount on electricity usage costs, and also water usage costs regardless of time of day or night on essential health care equipment required to continue living in one's home.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation.

Mr. Barrett, for questions?

1040

Mr. Toby Barrett: Thank you, Marguerite. You've really encapsulated something that I would say all MPPs here, on a fairly regular basis—certainly in the office I run, and I'm down in the rural south. It's not as cold as up here, although it's 11 below tonight down our way. What you've presented is essentially a case study, and very well done. This is tape-recorded and this is all printed up. You may want to get a copy of this. I will get a copy of it myself.

I'm not going to hit you with a bunch of questions, but as you've explained, it's so complex, and you've asked the question: Why is it so complex? Like many, you heat with natural gas. Many people also have to heat with electricity. I heat with electricity.

Probably tonight, my wife will finally plug in the furnace, because we resent paying so much money for electricity. We have a woodstove in one room, which basically heats that room—my wife is determined to go every fall until it's well below freezing before we turn our heat on. That means we wear very large sweaters and corduroy pants and wool socks, and we're basically living the way my great-grandfather lived. I just find that surprising.

Electricity is a wonderful invention. Certainly, in rural Ontario—I'm out on the back roads. For 100 years, we had a government policy of power to the people, especially—and maybe you live in the city; I'm not sure—affordable power, electricity for all people, regardless of where they live. That has changed this year.

The delivery charge, which you made mention of, is considerably higher for those who live in northern or rural areas. We talk about having the highest electricity rates in North America, including Hawaii. Part of that is because of the rural and northern cost of electricity, not necessarily in some of the large cities.

You've indicated some other things, that groceries suffer. You want to live in your own home, of course. You made mention of delivery charges. The way we

supplement our heat—I've gone back to my great-grandfather's day—my wife, every winter, because I'm never home, feeds 20 cords of wood through the woodstove. That's what my great-grandfather did—I think we've talked about this in the Legislature. You know what? There's no delivery charge. I take my chainsaw. I have a farm. I go back in the gully—maybe a little bit of fuel for the chainsaw and for the truck, but I can heat my home with wood. It's not complex. There are not all kinds of bills and time-of-use pricing and \$4-million executives. It's me and my chainsaw and my pickup truck, and there's no delivery charge.

What's wrong with this system? A hundred years ago, I don't think they ran it that way, as far as delivering electricity.

So I don't necessarily have a question for you, other than there is advice available. Phone your MPP, of course. They have contacts with Hydro One or with the particular utility.

I don't know whether you have any further comments—and my colleague may have a question.

Mr. Norm Miller: Sure. Thank you—

Mr. Toby Barrett: Did you want to say something? I'm sorry.

Ms. Marguerite Groulx: I just wanted to add that when you get my package, you will have the bills that I was mentioning in my document.

Yes?

Mr. Norm Miller: Thank you for your presentation. I gather that one of the recommendations—because this is a budget committee—that you're making is the suggestion of a discount or some sort of tax credit for people who are either seniors or disabled seniors who have to use power. They can't necessarily manage their time of use when they use power.

You mentioned that you have a CPAP machine—a breathing machine, I guess that is—that has to run through the night, and that you need to do your wash during the day. That's noted, that you have that recommendation to make life a little easier.

I would just simply say—my riding is Parry Sound—Muskoka, just south of here—that the examples you're giving, I hear about on a daily basis in my constituency office. I just recently tabled thousands of petitions from people concerned about high electricity costs and having to make choices about buying medication or buying food or heating their house. It's probably the biggest issue in my riding.

Thank you for coming today and showing on a very personal basis how it's affecting you, the costs you're dealing with and the efforts you're taking to try to reduce your costs, being on natural gas, shifting things when you can, etc.—but still being forced to pay big hydro bills.

The Chair (Mr. Peter Z. Milczyn): Thank you. That's all of our time.

Mrs. Groulx, thank you very much for coming today. We really appreciate you coming and sharing your concerns with us.

Ms. Marguerite Groulx: Thank you very much.

MS. JESSIE MACISAAC

The Chair (Mr. Peter Z. Milczyn): Our next witness is Jessie MacIsaac. Good morning, Ms. MacIsaac. You have up to 10 minutes for your presentation, followed by questions from the New Democratic caucus. If you could please state your name for the official record as you begin.

Ms. Jessie MacIsaac: Okay. My name is Jessie MacIsaac, and I am a taxpayer in Sudbury, Ontario. First of all, I really appreciate having this opportunity as a taxpayer to come to this consultation, speak with you and present my concerns. I am one individual, but I really feel that as a taxpayer I am representing Sudbury taxpayers and Ontario taxpayers, so I feel that I have a lot of representation behind me, even though I am a single individual.

I have a number of topics to speak about today. I'm going to start with auto insurance, and I have reasons why it is at the top of my mind right now, because recently I purchased a car, and I also received information about new auto coverage. I had a conversation with my auto insurance provider, which happens to be OTIP. I was asking, "Why are we having changes in the auto policy that really do not benefit Ontarians, and why are you doing this? Why have the auto insurers changed this?"

I heard on the phone, "Well, we are set by the Ontario government. The Ontario government sets the rules regarding auto insurance and changes." I'm particularly focusing on certain auto coverages which diminish what we had prior to September 2016, I think it was, or very recently. I was very surprised to hear that our government would be providing us with less coverage on behalf of all our citizens, and if we wanted the same as last year—in fact, I can read this: "The new auto policy coverage, effective as of your renewal date."

Okay, well, my renewal date just happened to be October 7 for my new vehicle, and it says "medical and rehabilitation expenses to a limit of \$50,000 for non-catastrophic injuries." Well, I hope nobody in Ontario has to have catastrophic injuries, or even non-catastrophic injuries, but it happens every day. This type of coverage, it says, is in your expiring policy, but the limit has been reduced from \$100,000 to \$50,000 in your renewal policy. So I wrote down on my paper, "Why?"

It does say "new options." I have the option to increase the limit to \$100,000, as I've had prior to October 7, but that's at my own expense. Why would my government, as a representative of all the people of Ontario, choose to do this to us, not for us? It's probably in the name of reducing auto insurance.

I said, "I can't believe that the Ontario government would be doing this to its people. I am sure you have people who lobby in the insurance industry and I'm sure that our government is listening to them." Well, she didn't say anything much about that. We're not naive and we're not ignoramuses, so we know. Why would government do it except to help in some way or to pretend that we are getting reduced costs, which we aren't?

1050

The next thing it said is, "Attendant care expenses to a limit of \$36,000 for non-catastrophic injury." Prior to October 7, in my insurance I was covered by \$72,000, but it's been reduced to \$36,000. I do have the option to increase the limit at my own expense, something that doesn't impress me.

Caregiver, housekeeping and home maintenance expenses are only available for catastrophic injuries. This type of coverage in my expiring policy, for both catastrophic and non-catastrophic injuries, is not in my renewal policy for non-catastrophic injuries—again, I can purchase that. Well, thank you very much, government of Ontario, for changing this, and thank you, insurance companies, for lining your pockets a little bit more at the expense of people who will probably not know this until they are in an accident and say, "Oh, my gosh, I thought I had good coverage." I like to have good coverage so that I am not a burden to my province or my country.

It says, "Deductible of \$30,000 when suing for pain and suffering. This continues to be the standard deductible provided for by law and one can reduce the deductible to \$20,000." Some people might have to do it because of their budgets, but those are the choices. It has some other coverage, which I'm sure, as our MPPs, you may be well aware of. Probably some of you opposed this when you had a chance to.

I also came across a very interesting article in the Sudbury Star from October 26, 2013, which says, "Numbers show Ontario's auto insurers can easily afford a 15% reduction in premiums over two years." The gist of that was that "using dollars instead of ratios, in 2012 Ontario's car insurers collected \$3.78 billion in accident benefits premiums but paid out only \$1.67 billion in claims and adjustment expenses.

"That makes Ontario's accident benefits coverage the most profitable (both dollar-wise and percentage-wise) for insurers in the regions of Canada that maintain 100% private insurance.

"The numbers for overall insurer payments on all car insurance coverage paint the same picture for Ontario.

"In 2012, Ontario car insurers paid 62 cents out of every dollar of premiums collected for all car insurance coverage.

"They collected \$10.4 billion in premiums but paid out \$6.48 billion in claims and adjustment expenses.

"That's the lowest payout ratio in 10 years.

"Their payout ratio in 2011 was 65%.

"In Alberta, the payout ratios for 2011 and 2012 were 70% and 77%. In Atlantic Canada, 64% in each of 2011 and 2012.

"While none of these numbers includes insurers' overhead costs, they similarly don't show insurers' investment earnings on the premiums they charge, and there can be little doubt that Ontario policyholders are paying too much for car insurance."

This was back in 2013, and I doubt the picture has changed because here we are, being charged again.

I have one other little story about auto insurance; it does have to do with me purchasing my new car. My new car is actually a 2008 car. I like to buy used cars because it saves you money, just as you were talking about using wood heating etc.

I have a niece who is turning 17 in January. She needs to get a driver's licence. She lives in rural southern Ontario, in St. Thomas, and she goes to school in London. Her mother is a teacher at a private school called the Waldorf School, but she has recently resigned and is doing individual tutoring and teaching for her students.

I thought, with my old 1997 Lincoln, which is 19 years old right now, and for which I've paid a lot of money to keep up—I will not get any money worth mentioning, hardly, for putting it on Kijiji or putting it on autoTRADER, which I haven't yet done. I thought, "Well, I will give it to my nieces. They can have the car"—my great-nieces, that is. My niece—their mother—was very happy to hear this, until she checked and told me what auto insurance is for teenagers who are first-time drivers. We can't give it to her because it's \$4,000 or more per year for a beginning driver, which shocked me because I don't have any children. For boys and for males, it's even more in Ontario. For anybody starting out to drive, or if they want to work or could use a vehicle for transportation, it's prohibitive. I am shocked at that—and I confirmed that, that that is the case. So I'm concerned about auto insurance.

With the time I have left, I have other concerns—

The Chair (Mr. Peter Z. Milczyn): You have about 10 seconds left.

Ms. Jessie MacIsaac: Oh, you're kidding. Okay. I'm concerned about us having referendums through Ontario for all provincial assets that the government wants to sell off. I'm concerned that we aren't using, yet, an individual health e-card in conjunction with our OHIP card. I'm also concerned that when immigrant families and refugee families come to Ontario or move here—and now they're going to have them coming in and having reunification—if they're 65 or over, such as I myself am, I do not want anybody but the people who are bringing their families in to be covered. They should cover themselves, because we can't afford it.

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. MacIsaac. We now have five minutes of questions from the New Democrats: Ms. Fife?

Ms. Catherine Fife: Thank you very much, Jessie. I think that when you started your presentation and you made the point that you were speaking on behalf of many people, I have no doubt that that is an accurate statement.

I thank you for coming in and sharing your views on auto insurance because auto insurance was a big issue in 2012-13 and then following the 2014 election. When the changes happened, when FSCO approved a small reduction in premiums but a huge reduction in the benefits that drivers would receive, I think it took drivers across this province by surprise. I am not sure that everyone has done their research, as you have, because you've made very good points around the personal responsibility that

drivers want to have in the province by having insurance that would cover them, because nobody chooses to get into an accident and have to rely on insurance. You raise a very good question as to why the Ontario Liberal government approved a policy change which would reduce the coverage that drivers have in the province of Ontario.

We, as the NDP—and you'll remember that we did try to reduce the rates because we saw record profits from the auto insurance companies. We thought that it was time for the pendulum to swing back in favour of the drivers, especially those drivers who have very good records. So I want to thank you for bringing the personal perspective of an individual driver to this committee and for reigniting that discussion, as I think that you have done.

The last thing that I wanted to say—you didn't get a change to address referendums, and I know that you were going to talk about hydro, I think. The selling off of Hydro One: Were you recommending that that should go to a referendum instead of the government privatizing it when they had no mandate to do so?

Ms. Jessie MacIsaac: Right.

Ms. Catherine Fife: That was it.

M^{me} France Gélinas: I, too. You give a very good example as to—and you hit it right on when you said that the auto insurance companies in Ontario are the most profitable in Canada. Why are they doing this? Why are they continuing to line their pockets rather than helping? You'll have to ask the Liberal members on this because I certainly opposed it. But your gut feeling told you that they were listening to lobbyists, not the people they served. I'd say that your instincts are pretty good.

I would like to give you time to tell us a little bit more. Why do you figure we're at the point where you don't want the government to sell any more assets without having a referendum? Is it because you don't trust the decisions that they're going to make when it comes to selling assets, and that you want to have a voice?

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Ms. Jessie MacIsaac: I definitely don't trust our Liberal government, because they have been—Ontario Northland, which was sold at bargain-basement prices—that's not good fiscal management—and Hydro One, which I believe the majority of Ontarians are opposed to. But our majority Liberal government isn't listening to the people. I'm very concerned about that.

If there are any other—like, if one day, LCBO, which is a profit-making company, which—I really hope it's not privatized.

Any company that is—

M^{me} France Gélinas: Assets that are ours.

Ms. Jessie MacIsaac: Exactly. I think a referendum will tell the story, and the people should be listened to.

M^{me} France Gélinas: I agree. You brought up a good point with Ontario Northland. When you look at what we got for some of the divisions of Ontario Northland—we paid more money to have those assets valued, so we

would know what price to sell them at, than we got money for selling them. This is not good.

Plus, for us in the north, we lost a service. We don't have trains anymore, and the bus service has really gone down, not to mention that lots of the community in the north of Nickel Belt depended on the Internet service that is now not available to them anymore.

I'm curious about the e-card for OHIP. You mean an electronic health record? You're looking forward to this?

Ms. Jessie MacIsaac: Yes. With health records, for example, it would save—we talk about it saving infrastructure or administratively. I went to the doctor because I had a small injury. I had already had an X-ray done at a lab in Sudbury. When I was at the hospital to see my doctor, my specialist, he ordered new X-rays because he said those X-rays from the lab—they don't get them at the hospital. This is just in Sudbury.

With an e-card, I'm thinking both administratively, but there should also be—it would save, ultimately, lots of time and money, and people having to work at all this, to have this e-card that we already spent a lot of money on that was just wasted. I don't know where the status is, regarding the e-card. I mentioned—

The Chair (Mr. Peter Z. Milczyn): Okay, thank you. That's all of our time for this morning. Thank you, Ms. MacIsaac, for coming in. If you have anything further you'd like to provide us in writing, you have until 5 p.m. on January 20.

Ms. Jessie MacIsaac: I will, and thank you very much for this opportunity.

The Chair (Mr. Peter Z. Milczyn): Thank you.

ONTARIO CHIROPRACTIC ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Ontario Chiropractic Association. Good morning, sir.

Dr. Jairus Quesnele: Good morning.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, followed by five minutes of questions from the Liberal caucus. If you could please state your name for the official record as you begin.

Dr. Jairus Quesnele: Thank you for having me, and good morning. My name is Dr. Jairus Quesnele, and I'm a member of and volunteer for the Ontario Chiropractic Association, the OCA.

The Ontario Chiropractic Association is a professional association serving Ontario's chiropractors and the public by advancing the understanding and use of chiropractic care and, as such, has three recommendations for the 2017 pre-budget consultation process: (1) the continuation beyond 2017 and strengthening of the Primary Care Low Back Pain Pilot; (2) the expansion and provincial rollout of the interprofessional spine assessment and education clinic models; and (3) the funding of integrated MSK care across the system that is patient-centred, interprofessional and best utilizes chiropractic MSK expertise.

A little background: One in five Canadians suffer from chronic non-cancer pain, with back pain as a leading condition. Musculoskeletal conditions such as low back pain and neck pain account for three of the top four causes of disability in North America.

Evidence points to back pain as a leading reason for opioid prescriptions. A recent study found that 50% of people prescribed opioids in the United States reported back pain. However, according to the 2016 Centers for Disease Control and Prevention guidelines for prescribing opioids for chronic pain, the use of non-pharmacological therapies is preferred.

The opioid situation in Canada is described as in crisis. Ensuring access to a variety of providers and non-pharmacological therapies to treat chronic pain is critical. This was highlighted by the Canadian Chiropractic Association's participation at the national opioid summit and as a signatory to the joint statement of action.

Chiropractors are educated, trained and competent to provide MSK assessment, diagnosis and treatment. They offer a compelling option for better managing MSK conditions across the health care system. Chiropractors provide care using hands-on techniques to reduce pain, improve range of motion, and restore function. The literature supports that spinal manipulation therapy, or SMT, or adjustments are effective in relieving pain and improving function. SMT is recommended by numerous clinical guidelines, including the Bone and Joint Decade Task Force and the American College of Physicians.

As the Ministry of Health and Long-Term Care's Patients First: Ontario's Action Plan for Health Care commits to putting patients first by improving the health care experience, a number of individual pilots and programs have been implemented in Ontario to improve patient care related to low back pain.

There are currently two ministry pilots aimed at improving care for low back pain: the Interprofessional Spine Assessment and Education Clinic—or ISAEC—pilot, and the Primary Care Low Back Pain—or PCLBP—pilot. Both integrate chiropractors in key clinical roles.

The ISAEC pilots have demonstrated that engaging chiropractors and advanced-practice physiotherapists in assessment and education of low-back-pain patients decreases unnecessary diagnostic imaging, specialist visits and their associated costs.

The Primary Care Low Back Pain Pilot integrates chiropractors and other practitioners into interdisciplinary primary care settings to provide a comprehensive assessment and treatment model. In addition to back pain, the typical Primary Care Low Back Pain Pilot patient also suffers from significant co-morbidities, including other musculoskeletal conditions, diabetes and other chronic health diseases, and mental health and addictions issues. Many have characteristics similar to high-cost users of the health care system.

In addition to decreased specialist referrals and reduced unnecessary diagnostic imaging, the Primary Care Low Back Pain Pilot is also demonstrating reduced use of

opioids and NSAID medication. Moreover, patients report improved patient experience, enriched knowledge and practice of low back pain self-management strategies, and enhanced health status.

The Primary Care Low Back Pain Pilot is uniquely positioned to be an important component of a comprehensive musculoskeletal strategy. Based in primary care, the Primary Care Low Back Pain Pilot provides an integrated approach to MSK pain and opioid reduction. Although they are demonstrating excellent results, the pilots are currently scheduled to end in March 2017. Therefore, we urge the finance and economic committee to support our recommendation to continue and strengthen the Primary Care Low Back Pain Pilot.

To understand the current reality of MSK care in the health care system, consider the following patient scenarios from the Belleville Nurse Practitioner-Led Clinic Primary Care Low Back Pain Pilot site, and how patients' MSK conditions have been effectively managed with an interprofessional team.

Scenario one: A 60-year-old female presented with chronic low back pain. She had several previous injuries, including sciatica related to pregnancy 44 years ago, a hairline fracture in her lower back after a fall 20 years ago, and injuries from being hit by a car 13 years ago. She sought pain relief through a combination of prescribed and street drugs. Despite this, she continued to experience severe pain and had difficulty walking for more than 10 minutes without pain. In addition to chronic pain, she also had high blood pressure.

The patient was referred to the Primary Care Low Back Pain Pilot and, after a full assessment with the chiropractor, was diagnosed with spinal conditions that were contributing to her pain. The chiropractor recommended a treatment plan that included soft tissue work, exercises and education. The chiropractor also initiated a discussion with the pharmacist at the nurse practitioner-led clinic to help the patient taper their drug use and implement other strategies, such as using ice to assist with inflammation instead of medications. Today, the patient no longer takes Percocet. She takes Tylenol 3 sporadically, as needed. Overall, she has an improved outlook, is able to walk for two to three hours at a time, and has been able to return to activities that she enjoys, including gardening.

Scenario two: A 76-year-old presented with 12-year history of mid- to lower back pain. The pain began gradually, and there was no known trauma or cause that could be identified. She was unable to complete simple errands requiring walking. She had been taking five different types of over-the-counter Tylenol medications to manage her pain which were self-prescribed. In addition to the pain, she also had stage 3 kidney problems and type 2 diabetes.

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The patient entered the Primary Care Low Back Pain Pilot and was diagnosed with a chronic strain of the muscles in her lower back and pelvis. The chiropractor provided a treatment plan which included education

about the condition and aggravating factors, practical advice with respect to completing daily activities without increasing back pain, and gradual exercise, like walking for 15 minutes a day to start. The patient is now able to walk for hours at a time. She no longer takes any medications for back pain. In addition, testing related to her co-morbid conditions indicates overall improvement in her health linked to the introduction of insulin and improved mobility.

These are just two examples of how initiatives such as the Primary Care Low Back Pain Pilot highlight the importance of providing patients with high-quality, evidence-based low back pain and MSK care at appropriate points in their health care journey. With greater emphasis on these types of programs throughout primary, hospital, community, home and long-term care, chiropractors, given their expertise in the MSK system, can help enhance patient equity and access, reduce reliance on pain medications, and improve quality and care coordination.

Therefore, Ontario chiropractors are asking the government to expand its commitment to MSK care by supporting the following: The first is the continuation beyond 2017 and the strengthening of the Primary Care Low Back Pain Pilot; second, the expansion and provincial rollout of the interprofessional spine assessment and education clinic models; and third, the funding of integrated, MSK care across the system, that is patient-centred, interprofessional and best utilizes chiropractic MSK expertise.

We certainly appreciate the opportunity to present at the 2017 pre-budget consultation process. Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you, Dr. Quesnele. We have questions from Ms. Hoggarth.

Ms. Ann Hoggarth: Thank you very much for your presentation, Doctor. We have heard other presentations from chiropractors in the past about this very issue. I know that the Ontario Chiropractic Association published a letter to Minister Hoskins highlighting the prevalence of lower back pain in musculoskeletal conditions, and your association asked that the Patients First primary care reform strategy enhance integrated care for lower back pain and MSK patients in Ontario.

I also know that your group brought up the negative effects of constantly using smartphones, which include pain and discomfort in the hands, fingers, necks and upper backs, and I think everyone in this room probably has experienced it. If anyone has ever had any point in their life where they've had back pain, you can imagine how terrible it is to have chronic back pain. I understand.

In November 2014, the Ministry of Health and Long-Term Care announced funding of \$2.3 million to create seven pilot projects across the province as part of its Low Back Pain Strategy, and the locations funded by this project will provide additional hours for a range of health providers, including chiropractors. The Ontario Chiropractic Association showed support for this announcement and its collaborative approach to combat lower back pain, and I like the examples that you gave.

Our government acknowledges the prevalence of lower back pain in Ontario, and that's why our government is currently rolling out the three-pronged Low Back Pain Strategy. Can you speak about the impact this program has had on Ontarians with low back pain, please?

Dr. Jairus Quesnele: Certainly. I'll share from my personal experience to highlight some of those issues, and the Ontario Chiropractic Association could certainly provide more information to help support any questions you might have with respect to that.

My current practice is located in Sudbury. It's not part of the Primary Care Low Back Pain Pilot sites, but I currently work with one sports physician and three family doctors together in the same practice. I am there as their musculoskeletal expert and I help with their rostered patients. They're part of a family health organization, and I am there as an independent contractor, an independent person, but all together, interprofessional. So I'm on their EMR system. We're often having in-hall conversations about cases and how to better manage the patient and their chronic conditions, which often include chronic low back pain and other chronic musculoskeletal diseases.

Physicians are really happy to have that added support. It allows them to enable their patients to become more active with more mobility and enhances their recovery of their chronic illnesses. For instance, a patient might have diabetes and chronic back pain. They're not able to get out and walk and exercise. Their mobility suffers because they're sedentary most of the time. Their diabetes also suffers because one of the evidence-based treatments for diabetes is exercise. You can see how it can be a quick catastrophizing scenario for that patient, and their outcomes become poor.

Having a chiropractor or someone who can be involved in the practice help manage the physicians' rostered patients and help improve their function and their activities of daily living in pain allows better management of the chronic illness and helps the physician ease their time and allows them to see more patients more effectively, not to mention that it's a good environment to work in because you feel like you're really comprehensively serving the population.

Ms. Ann Hoggarth: Great. I think MPP Rinaldi has a quick question.

Mr. Lou Rinaldi: Thank you so much for being here. It just intrigued me when you talked about the nurse practitioner clinic, although the clinic is not in my riding but it's just a stone's throw away. Dr. Bruce Flynn, a counterpart of yours who lives in our town, and a former Rotarian—we met and we talked about this particular case in a lot more detail than you were able to do today because of lack of time. It's quite impressive; it really is. Obviously, I was never involved, but it's certainly something that I think we need to keep a really open mind on.

Thank you for highlighting that today. It's a real case. It's for real. I know some of the nurse practitioners who work at that particular location, and their commitment

and dedication as well. For that, I just want to say thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Rinaldi. That's all of our time for today.

Dr. Quesnele, if you have anything further you'd like to submit in writing, you have until 5 p.m. on January 20.

Dr. Jairus Quesnele: Thank you.

MS. DIANE IKONEN

The Chair (Mr. Peter Z. Milczyn): Our next witness is Diane Ikonen. Good morning, Ms. Ikonen.

Ms. Diane Ikonen: Good morning.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, which will be followed by five minutes of questions from the Progressive Conservative caucus. If you could please state your name for the official record when you begin.

Ms. Diane Ikonen: My name is Diane Ikonen. Can you hear me?

The Chair (Mr. Peter Z. Milczyn): Yes.

Ms. Diane Ikonen: Okay. Thank you very much for the opportunity to be present this morning. I wanted to be here to show the Ontario government that ordinary citizens like myself are concerned about lots of things that are going on in our province. We're being crippled by high taxes, high debt, unnecessary deficits and bad policy.

Instead of wasting time on a pre-budget consultation that may become lip service, let's make Ontario great again.

Mr. Lou Rinaldi: I've heard that before.

Ms. Diane Ikonen: Yes, so have I.

Here are my concerns and recommended actions.

Number 1: concern about Ontario's medical system that front-line health care is being sacrificed while simultaneously the number of bureaucrats in the system is increasing. Example: First, LHINs were created, and now sub-LHINs. We have 14 LHINs and 141 sub-LHINs covering the entire province, according to Statistics Canada.

According to Dr. Virginia Walley, president of the Ontario Medical Association, the province needs to invest in front-line health care. This might be an inconvenient truth for a government that seems more focused on spending on red tape and bureaucrats than investing in front-line patient care.

In my document, I have references for all the things I will quote.

We did have a problem at one time in Ontario where the doctors we trained left for other parts of Canada and the United States, where they could do better. We must prevent this from happening again.

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Recommended actions: When you ask middle managers to decrease costs, they don't cut themselves; they cut services. Instead, work with doctors and all hospital staff to keep the system viable.

Second concern: concern about skyrocketing debt and deficits. Due to mismanagement and the out-of-control spending habits of the Ontario government, which is not just the recent government but previous governments, you are burdening all generations. Debt has increased to \$300 billion in the last 10 years of the Liberal government. This is irresponsible.

The Auditor General has referenced wasteful spending and exorbitant salaries. Here's just one example: Taxpayers covered \$28 million for Windstream.

Recommended action: Live within Ontario taxpayers' means. Pay for essential services. When there are surplus funds, do other projects.

Third concern: concern about bus transportation in the mid-north. Rules changed for Greyhound bus lines when the American-owned company was sold to a British company. Now there are only a certain number of buses scheduled regardless of how many people need to get to a certain destination at a certain time. If there are more passengers than tickets, "Too bad, so sad"; you can't get to your job or you can't get back to your city where you live after having had a family holiday.

I looked online December 9. No more tickets were available for Greyhound to go to Ottawa. On December 10, suddenly there were tickets again. This is terrible uncertainty for people who use and depend on bus transportation. It's the inability for people to get where they need to go when they need to be there. When I phoned Ontario Northland, there was no answer and no message machine. In a day of technology, this is incredible. What terrible customer service. With Greyhound, I couldn't find online any number to call. Finally, I had to go to the Ontario Northland bus depot in New Sudbury personally to get information. The clerk wrote it down for me because it's not available. Interestingly, there were three people working the desk—more bureaucracy instead of front-line service.

Recommended action: Where there are people who need bus transportation, ensure that the bus company provides it.

Number 4 concern: I'm concerned about closing small schools in mid-northern and northern communities. The funding formula doesn't work for isolated communities that need their schools in order to keep students off buses for hours daily that prevent them from participating in the full life of students with after-school activities.

According to the Ontario Alliance Against School Closures, it also appears that school closures are unreasonably disenfranchising children in rural and northern regions. "War on Rural Schools Far From Over" was written in the Sudbury Star by a person from Deep River.

Recommended action: Acknowledge that rural school boards require a different funding formula than urban schools. Make it so.

Number 5 concern: I'm concerned about the increasing cost of the Canada Pension Plan, promoted and endorsed by the Ontario government. Once a person dies, as my husband did two years ago, the money largely

stays with the government, whereas, if we had invested that money, when he died, the money would have gone to our estate. This is a terrible way of using Ontario people and employers to be another form of taxation for the government.

Recommended action: Allow people and their employers to opt out of CPP and opt in to private investment.

Number 6: I'm concerned about the lack of affordable housing for those with mental, physical and emotional challenges. Population facts: In Sudbury, the number of individuals estimated to be homeless in 2015 was 1,419. The number of subsidized housing units: 4,474 in 2012. The number of households on the wait-list: 1,021. Everybody knows that this is exacerbating the problem that people are having with addiction, with homelessness and with poverty.

Recommended action: Policy options are required to support a broad range of housing options, according to the City of Greater Sudbury Housing and Homelessness Background Study.

Concern number 7: I'm concerned about the lack of apprenticeships and lack of seamless moves from apprenticeship training into the workplaces in Ontario. We hear of the situation that in Canada there are jobs, and we have nobody to fill them. Then we've got a situation here in the north where we've got college training and no place to go afterwards.

From Workforce Planning for Sudbury and Manitoulin, a local workforce planning board, Reggie Caverson said, "Of those who take a trades program, finding an employer to hire them is a significant challenge." Caverson said she finds this frustrating, as many employers report wanting someone who is already trained with five to eight years of experience, but are not willing to provide the training that an apprentice needs to become certified in their trade.

It's similarly frustrating when an entrepreneur trains an apprentice who then leaves to take a higher-paying job with a large company that has been irresponsible in not providing apprenticeship training.

Recommended action: Work with industry to change this and follow the European models that are effective in getting people from training into the workforce.

Number 8: I'm concerned about the rising use of food banks in 2016. Some 7% of this has been linked to hydro. Carolyn Stewart, executive director of the Ontario Association of Food Banks, said that it's due to several factors, including the low-wage jobs that are available in Ontario and staggering hydro prices. In the last decade, the price of hydro has more than doubled.

According to a report, Ontario's rising hydro prices and the added stress that increased hydro costs are putting on low-income families are causing increased use of food banks. On Manitoulin Island, too many islanders can't make ends meet.

Recommended action: Make hydro affordable again.

Number 9: I'm concerned about the 60% sale of Hydro One. Some 75% of Ontario residents were polled as opposed to the sale of Hydro One. There were warn-

ings from watchdogs that it would remove the troubled utility from their independent public scrutiny. To quote the Sudbury Star editor, “We believe the key motivation the Wynne government had in selling off 60% of Hydro One was that it desperately needed the money to balance Ontario’s books by 2017-18, as it has long promised voters.” The headline was “Defeat Wynne on Hydro One Sale,” from December 10, 2016.

I have a whole slew here—two pages—of concerns about the continued consequences of Ontario’s energy policies, but I think that pretty well brings me to the end of my time, so I’ll just leave that for the committee to add to the pile. I’m very concerned about all of these things as an ordinary citizen who was born and raised in Ontario, and—

Interruption.

Ms. Diane Ikonen: Well, there we go. There’s the timer.

I grew up with Ontario being the greatest province in Canada. I want Ontario to be great again.

The Chair (Mr. Peter Z. Milczyn): Well, kudos to you for bringing your own timer, as well.

Mr. Barrett has questions.

Mr. Toby Barrett: Thank you, Diane. Yes, we have a situation—so many issues, and so little time.

Ms. Diane Ikonen: You people made me work hard this week.

Mr. Toby Barrett: It shows.

You talk about front-line health care receiving short shrift as the bureaucracy grows. Just last week, legislation was passed, Bill 41, for yet another reorganization of the health care system, a reorganization of the LHIN system, creating sub-LHINs—a reorganization of a system that already allocates 39% of resources to bureaucracy at the Ministry of Health. That’s at this point in time.

With this new reorganization, there is worry that there will be additional resources going to the bureaucracy. It’s called the Patients First Act; it’s also known as the “bureaucracy first act” in some quarters. It’s a reorganization within a system that, under the minister, within the ministry itself, has 18 assistant deputy ministers, with no thought of reorganizing that system at the top, perhaps streamlining and taking a look at some efficiencies and some cost-effectiveness within the Ministry of Health itself.

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I receive so many emails on this subject, I could go on and on. There are concerns with this new reorganization that access to a family doctor could be decided by a government employee, that bureaucrats would have access to confidential health records, and medical standards would be decided by bureaucrats or politicians instead of medical experts.

Just quickly: Now that this reorganization has been launched, by law, any thoughts on how we can perhaps salvage our health care system as this goes forward?

Ms. Diane Ikonen: I think, as in just about any sector of the economy, talk to the people on the front lines. They know what is needed, and they can do it very simply if they have the opportunity to do so. I learned

about the reality of the LHINs and the sub-LHINs from a person who was a nurse who then had the opportunity to do something in bureaucracy for the Ontario government because of her background. She basically said that the LHINs are just another layer that prevents the money from going to front-line services. I get emails every day from the LHINs. I get the notices about the sub-LHINs being formed. I know that they are able to do some good stuff and planning, but the grassroots could do that too.

Mr. Toby Barrett: My colleague has a comment as well.

Mr. Norm Miller: Again, thank you for your presentation. You covered a lot of topics there.

As a fiscal Conservative, I certainly agree with your concern about the debt. I think it’s \$317 billion now. It has more than doubled in the last 13 years, and it’s a big concern because we’re paying so much in interest costs.

But point number 4, in the limited time that I have, is one that hits home for me as the MPP for Parry Sound–Muskoka: the closing of small schools. I have a situation in my riding in the Honey Harbour area, where they’re doing an accommodation review for both the Catholic primary school and the public primary school at the same time, so the community could face both schools closing and then a situation where kids would have to be on the bus for over an hour, not to mention what it would do to that community. I don’t expect young families or businesses are going to want to locate there if both primary schools close. So maybe you could talk a bit more about the importance of small schools to communities.

Ms. Diane Ikonen: Well, a school is a heart of the community, and the Ontario government seems to be looking at a model that works for urban and rural, and it doesn’t work. We in northern Ontario don’t have the great amount of population that southern Ontario does, especially metropolitan areas like Toronto. In Sudbury and northern Ontario, in greater Sudbury—Rainbow District School Board, the Catholic school board, le conseil scolaire, and French Catholic—what it means is that we could have students on the buses for three to four hours a day. Of course, when there’s snow those buses will be cancelled. This is breaking up communities. It’s devastating to families, to communities. We have to have a different model of funding for urban and rural.

The Chair (Mr. Peter Z. Milczyn): Okay, thank you. That’s all for time. If you have any written submissions you’d like to make, you have until 5 p.m. on January 20.

Ms. Diane Ikonen: How much do you bet you’re going to hear from me?

The Chair (Mr. Peter Z. Milczyn): I have a good feeling there’ll be a Christmas present for the committee from you.

Ms. Diane Ikonen: Thank you for listening.

The Chair (Mr. Peter Z. Milczyn): Thank you very much.

LAURENTIAN UNIVERSITY

The Chair (Mr. Peter Z. Milczyn): Our next witness is Laurentian University. Good morning, sir. You have

up to 10 minutes for your presentation, which will be followed by five minutes of questions from the New Democratic caucus. If you could, state your name for the official record as you begin.

Mr. Dominic Giroux: Good morning. My name is Dominic Giroux. I'm president and vice-chancellor of Laurentian University. I also serve as vice-chair and incoming chair for 2018-19 Universities Canada. Bienvenue à Sudbury, and welcome to the traditional lands of the Atikameksheng Anishnawbek First Nation.

In front of you, you have a two-pager which I would like to draw your attention to. Page 1 summarizes some recent accomplishments of Laurentian University. We're proud of having the highest proportion of first-generation students among Ontario universities, the second-highest proportion of indigenous and French-language students, the highest post-graduation employment rate among Ontario universities for six years in a row and the second-highest post-graduation average earnings. We rank number one in Canada in national research funding in economic geology, and number one in Ontario and the top five in Canada in mining and mineral processing research.

Success attracts success. Our number of admitted students since 2009 coming in with an average entry grade of over 85% has doubled. In the last five years alone, we've announced four eight-figure gifts to named schools at Laurentian: the Bharti School of Engineering, the Goodman School of Mines, the McEwen School of Architecture and, more recently, the Harquail School of Earth Sciences.

At the middle of page 1 you have some provincial data in terms of funding for Ontario universities and you will see that, unfortunately, per-student revenues and per-student provincial funding have not increased since 2009. I want to draw to your attention that northern grants to universities have not increased since 2004 and French-language grants have not increased since 2007.

Half of our students come from northeastern Ontario, a region where there will be a decline in the university-aged population of 20% by 2023. The other half of our students come from other parts of the province and other parts of the country and the world—from 100 countries. However, in the next decade there will not be an increase in the university-aged population outside northeastern Ontario, and meanwhile, government is supporting new campuses in Milton, Markham, Brampton and also exploring a new French-language university in Toronto.

Despite those challenges, we've balanced our budget for the last six years, but we are forecasting deficits for the coming years.

On page 2, you have three recommendations. I had the privilege of serving on the Drummond Commission on the Reform of Ontario's Public Services. I also currently serve on the Ontario Economic Advisory Panel. It may or may not surprise you that the three recommendations on this page come at no cost to government. However, in my view, these would be the three steps that could have the most positive impact on protecting the quality of post-

secondary education and protecting our ability to drive creativity and innovation in the communities that we serve.

The first recommendation is to make universities facing declining enrolment eligible for funding protection for the next two rounds of strategic mandate agreements with the province. Most Ontario universities are facing declining enrolment; all northern Ontario universities are facing declining enrolment. Our suggestion, which has been endorsed by all northern Ontario universities, is that if universities are facing declining enrolment, we are asking government to not take away those revenues. We already will be losing tuition revenues from the fact that we will be facing declining enrolment. We're asking that the current provincial grants remain the same, subject to conditions negotiated with the province in terms of accountability, metrics and outcomes that the government would like to see.

I have to point out that we were feeling heard by the Ministry of Advanced Education and Skills Development on this front. We understand that there are changes that are coming down the pipeline in terms of the funding model for universities, so we're encouraged. Of course, we'll believe it when we see it, but we're hopeful that that will be addressed for 2017 and beyond. Otherwise, this will require even further cuts to programming and student services for 2017.

The second recommendation may sound very technical but is of huge importance to many Ontario universities. It's to encourage Ontario to do like most other provinces, including Quebec, and exempt universities from solvency pension requirements but require a higher threshold of going-concern surplus. Let me try to translate this into common language.

Each Ontario university has its own pension plan. Most of them have currently a pension solvency deficit. That means that if the university were to shut down today, it couldn't pay its current obligations. In most other provinces, universities are exempted from making solvency payments because the view is that universities will still be there 50 or 100 years from now.

As a university, we have a solvency deficit but we have a going-concern surplus. The going-concern test is our pension plan's ability to meet future obligations. We have a surplus from that standpoint; we're in good shape. If our university was in Quebec, the government would say, "Don't worry about your pension solvency deficits, but please make additional payments to meet your future obligations. Have a higher threshold of accountability for your going-concern test."

That's our advice to government: to follow what Quebec and other provinces have done, to exempt us from solvency pension requirements but increase, perhaps, the requirement for the going-concern payments.

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The advantage of doing that is that if the Ministry of Finance increases the requirement for going-concern, those costs can be cost-shared with employees. The current regulation, even though it's better than what it used

to be, prevents us from cost-sharing the costs because, if you don't have a jointly sponsored pension plan, your solvency costs cannot be shared with employees; the employer is accountable for those costs.

The third recommendation is to create a working group between the Ministry of Advanced Education and Skills Development and northern universities to recommend to government by next fall how best to enhance the northern grants.

As I pointed out, northern grants to universities have not increased since 2004, and we think it would be timely to consider how best to do that for the 2018 budget—again, tied to outcomes in support of the implementation of the growth plan for northern Ontario, released in 2011.

Our goal is to protect the quality of the student experience, to preserve our capacity to drive innovation and creativity, and, of course, to ensure the university's sustainability. We hope that the government will consider those three recommendations, which come at no cost, for the 2017 budget.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. We have questions for you from Madame Gélinas.

M^{me} France Gélinas: Bonjour, monsieur le Directeur. Toujours un plaisir de vous voir.

If there is decreased enrolment, we hold the money going to the university stable. But you did say that if that was not to happen, cuts could come as soon as 2017. Let's say it doesn't happen. What size of a hole in your budget are we looking at?

Mr. Dominic Giroux: Currently, we're forecasting a deficit of \$4.5 million for next year. We are seeking permission from our board of governors to run a deficit for the next two years. But, obviously, to meet that forecast of a balanced budget by 2019, that would require important reductions in the number of part-time sessionals; not replacing faculty vacancies; not replacing staff positions that may come through attrition; reducing scholarships and bursaries to students; and delaying or cancelling projects that were contemplated in terms of deferred maintenance, which is quite needed, especially for universities that have aging infrastructure.

M^{me} France Gélinas: I don't see anything in this that is good for the learning experience of your students.

Were you able to cost—you put it as "at no cost to the government." The numbers of students are going down. We keep your funding stable to allow you to go through this for the next two terms of negotiation. If there were to be no change, how much of an overall decrease would it be? The \$4.5 million—is it directly tied to this, or are we talking a different number?

Mr. Dominic Giroux: I would say that about half of it is tied to that projected decline in our revenue. That's why, for all northern Ontario universities, having that stability of funding would be critical for 2017-18 and beyond.

I would have to say that in some of the universities in the north, it's even more acute in terms of the situation than at Laurentian University because, even this year, we had an increase in our enrolment. But some northern

Ontario universities have seen declining enrolment for a number of years and are desperately seeking to have that stability, not forever but at least for the next two rounds of strategic mandate agreements, so that universities can do the kinds of changes required in terms of program offering and programming.

M^{me} France Gélinas: Laurentians do great. The graduates find employment within their fields. I think you said 92% of us did. I'm a graduate of your university. They go on to have successful careers, working and being productive. Do you see something that the government can invest in or do to make sure that we bring more students to a university and to Laurentian and to all of the northern universities? Is there a plan not just to save what we have now but to grow it?

Mr. Dominic Giroux: Well, every university will evolve its program mix based on community demands, community expectations and labour market requirements. Generally, there's an increase in demand for graduate programming. If the proportion of spaces for graduate programs in northern Ontario universities was equivalent to southern Ontario universities, we would have 800 more funded master's spaces and 500 more funded PhD spaces in the north. So there's definitely an unmet demand at the graduate level generally in northeastern and northwestern Ontario.

We have been successful in introducing new French-language programs in some areas where currently, French-language students have to leave the region to pursue their aspiration in their own language. These are the key demand spots that we have right now. We're doing our best to address those increased demands, and legitimate demands, but we obviously can only do so much with the resources available.

M^{me} France Gélinas: I agree. When we look at the northern grants, which have not increased since 2004-05—we're looking at 2017; that's a long time. Had there been any demand from northern universities to renegotiate that before, or have we just woken up to the fact that a decade and a half has gone by?

Mr. Dominic Giroux: I think it's been a constant request over time, but also, as universities, we're mindful of the fiscal situation of the province. There has been a tendency to ask for more flexibility on tuition than provincial grants, generally. However, we're in a situation right now where Ontario has the lowest grants on a per-student basis to universities and the highest tuition rate, so I don't think that's sustainable in the long term.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Giroux. That's all of our time for today. If you have anything further you'd like to submit in writing, you may do so until 5 p.m. on January 20.

Mr. Dominic Giroux: Merci beaucoup. Chi meegwetch.

The Chair (Mr. Peter Z. Milczyn): Merci.

MR. FRED SLADE

The Chair (Mr. Peter Z. Milczyn): Our next witness is Mr. Fred Slade. Good morning, sir.

Mr. Fred Slade: Good morning.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, which will be followed by five minutes of questions from the Liberal caucus. If you could state your name for the official record as you begin.

Mr. Fred Slade: My name is Fred Slade, and I'm here on behalf of my children and yours. Ten minutes doesn't allow me to address all of the gross mismanagement of the past 10 years. The purpose of these sessions, as I understand it, is to present advice on how to fix the economic mess we have in this province going forward, so I will limit my comments to three broad suggestions.

First, stop spending us into an even bigger mess. I realize we will not and, arguably, do not need to get out of debt, but we do have to get it under control, preferably before the inevitable decrease in bond ratings and increase in interest rates turn the \$11-billion-plus amount that we are paying annually in interest into two or three times that amount. The first rule for anyone trying to control or eliminate debt is to stop borrowing. There is a time and a place for deficits, and this is not it. Our current and past leadership should be ashamed of the mess that they have left for our kids and our grandchildren to clean up.

Second, don't continue to pretend that the deficit has been fixed by holding fire sales for public assets, or don't introduce new taxes. Do it by stopping the insane wasteful spending. The list is so large: Ornge, eHealth, gas plants, and no doubt dozens or possibly hundreds more on a smaller scale. I will speak briefly to two examples.

The Ontario pension plan, the one that was to be paid for by businesses and employees who didn't ask for it, thankfully has been killed, but not before wasting \$70 million, most of it blatant and obscene patronage: \$8 million in advertising and over \$2 million in severance to only six employees, that group led by Saâd Rafi, who, I'm sure you know, ran the Pan Am Games that went over budget by \$304 million. For his six months' work on the pension plan that never was and never will be, he received \$75 less than \$828,000—six months. I wonder how many \$7,500-a-plate donations he, his cronies and the advertising firms organized?

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Another colossal waste is the LHINs and the CCACs. I spent two hours this morning feeding and changing my 88-year-old mother, even though we are approved for six hours of care and paying for another six hours each day. Why? Because even though we can sequence DNA, the so-called care coordinator cannot get a PSW to show up at 8 o'clock in the morning. My mother was released from the hospital on Thursday. The PSW came at 8 a.m. on Friday, but they've been late every day since. On Saturday, they didn't come and my 87-year-old father tried to help my mother to the bathroom. He now has a back injury; she has a broken wrist.

Finally, give Ontarians some relief from the ever-increasing cost of living in what used to be a great

province. If the ill-advised carbon tax goes ahead, don't waste the proceeds on these so-called green initiatives. I don't know if you can get less specific than that term. I don't even know what it means, but it sounds like another patronage scheme. All the money raised by this tax should be rebated to hydro users. That way, the number of seniors and low-income earners that can't pay their bills might actually go down instead of skyrocketing from the present number, which I understand to be over 500,000.

Thank you for the opportunity to present these recommendations.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Slade. You have questions from Mr. Baker.

Mr. Yvan Baker: Thanks very much for coming in and speaking with us today. I wanted to thank you for taking the time to be here and to share your views. I know that in the past you've also taken the time to run for office—in the last federal election for the Conservatives, I believe.

Mr. Fred Slade: Yes, that's correct.

Mr. Yvan Baker: Thank you for coming in and for your continuing passion for serving the public.

There are a few things you mentioned, but before asking my question, I'd just like to comment on a few of them. My background is in finance and business. I used to be in management consulting, so I used to advise companies on how to invest their money and make appropriate investments and maximize value for money and reach their financial targets.

When I ran for office in Etobicoke Centre, I made a commitment to the people of my community that I would lend that experience to the folks who were making decisions in the government about how we invest and spend our money. That's why I think it's so important, and you spoke at the beginning of your presentation about the importance of balancing the budget. That's one of the things I've been very actively involved in. It's not just about hitting a fiscal target but it's about getting there in the right way.

Anyone can slash and burn their way to a balance. What's challenging, and I saw this in business and I see it here in government, is doing it responsibly. So what we've been doing is going through every program in government, one by one, assessing performance, measuring outcomes in a way that hasn't been done in the past, and then assessing how we can get better value for that money. Can we deliver more, better outcomes for people for the same amount of money, or can we deliver those same outcomes that we are trying to achieve with less money? Those things are the kinds of things—unfortunately, those success stories are rarely reported on, but there are quite a number of them.

One of the things, for example, was that we used to have a series of dental programs for kids who are low-income. Those have been combined and consolidated and, as a result, with the same amount of money, 70,000 additional kids across Ontario are now getting dental programs for free. That's an example of the kinds of

decisions that are being made to make sure we're getting better value for taxpayer dollars, but also generating better results for the people of Ontario at the same time.

You talked about public assets not being used to balance the budget, and I agree with you. So, for example, when the 407 was sold in Ontario, that money was used to balance the budget. In the case of asset sales that are happening now, those are going into something called the Trillium Trust, which is a fund for infrastructure. I wanted to make sure you were clear on that and you understood that.

You talked about interest charges. You're absolutely right: We need to ensure that those interest charges come down, so that we can make sure that we're using those resources, taxpayer money, and, instead of on interest, we're spending it on programs: health care, education, infrastructure etc.

It's interesting, actually: Interest as a percentage of the provincial budget over the past several years is at a 20-year low, so it's lower than it was in the Mike Harris government, even lower than it was in the Bob Rae government. It doesn't mean there's not more work to do—it goes back to what you were saying earlier about balancing the budget so that we can minimize those interest costs eventually—but I wanted you to know that as well.

You talked about the LHINs and CCACs—absolutely. I represent a community where we have one of the highest percentages of seniors of any riding in the country, so health care and community care in particular are priorities for me and my community. I know that making sure that we maximize the amount of care that gets to the front line is so, so important. That's why, for example, the Patients First Act is designed in part to make sure that we're taking the resources that are currently put into administration and moving them toward front-line care. I'm pretty excited about that aspect of things as well.

I wanted to comment on those things because I thought it was important that you understood that. Chair, how much time do I have left?

The Chair (Mr. Peter Z. Milczyn): One minute.

Mr. Yvan Baker: One minute.

What I wanted to ask you was, one of the discussions we've been having in government on all sides, I think, is around infrastructure. We've heard a number of presenters come to us today, talking about the importance of roads to communities in the north. In more urban centres, there's been a lot of talk about transit. From your perspective, could you speak to me a little bit about your views on infrastructure? Should we be investing in infrastructure, and if so, what kinds of infrastructure should we be investing in?

Mr. Fred Slade: Thank you for getting to a question. I think I have about 30 seconds to address the four-and-a-half-minute presentation.

Obviously, we need infrastructure in any civilization. However, it needs to be developed responsibly, it needs to be administered in an accountable fashion, and we need to get that value for money.

I can't do justice to your question without preparing for it. I'd be happy to do that. I'm very pleased to hear that you're having some successes in making the delivery of services more efficient in the province. I'd be quite happy, on a voluntary basis, to assist you with some more suggestions when I have more than 10 minutes.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Slade, for coming out today. If you do want to make a written submission to the committee, you have until 5 p.m. on January 20 to do so.

Mr. Fred Slade: Thank you very much.

GREATER SUDBURY CHAMBER OF COMMERCE

The Chair (Mr. Peter Z. Milczyn): Our final witness is the Greater Sudbury Chamber of Commerce. Good morning.

Ms. Joyce Mankarios: Hello.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, which will be followed by five minutes of questions by the Progressive Conservative caucus. If you could please state your name for the official record as you begin.

Ms. Joyce Mankarios: Thank you. I'm Joyce Mankarios, Greater Sudbury Chamber of Commerce. Thank you so much for allowing me to present this pre-budget submission today. The Greater Sudbury Chamber of Commerce represents 1,000 businesses here in Greater Sudbury that employ in excess of 40,000 people here in the community.

Our chamber held a series of consultations over the summer with business owners, and we asked them, "What are your top barriers to success?" What we heard as top barriers were the cumulative burden, high energy prices, navigating through labour legislation and, of course, the skills gap.

Firstly, we hope the budget addresses the need to reduce the cumulative burden on employers. Rising input costs and new public policy initiatives like cap-and-trade, coupled with skyrocketing energy rates, high WSIB premiums, labour legislation changes and business taxes: All of these have become crippling on businesses' competitiveness. We hear from businesses that they might have to shut their doors because of this burden in the province.

There are a few steps we think can help these issues, one of them being establishing a publicly available analysis of the costs of doing business in Ontario. This would be updated annually to highlight the cumulative impact of any new government policy implemented in the past year or proposed in the year ahead.

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We would also like to emphasize the importance of regional economic analysis. Not all policy is like cap-and-trade or will impact all regions the same way, and we need to consider that. Northern Ontario faces regional disparities, and that needs to be considered in policy-making and in this budget as well.

Relevant policy is also necessary. We know that there are outdated policies that were implemented decades ago that are not relevant anymore. The Red Tape Challenge and the modernization initiatives will help, and we're looking for more progress on that file.

Continuing with the regulatory burden, we're really looking for the establishment of some type of concierge service, a one-stop access point for small businesses to be able to access that would help them understand and navigate the different levels of legislation. This could be over-the-phone advice; this could be in person—a "how you can help" attitude by government on regulatory burdens.

I also mentioned labour relations earlier. In our consultations with businesses, we heard again and again that many businesses feel like there's an imbalance of power between the employer and employee, where much of the power is granted to the employee. Dealing with labour legislation has been onerous, costly and challenging, especially for small business owners, who just can't afford a robust HR department. Some of the proposed options under consideration with the Changing Workplaces Review would make it even more onerous at a time when employers are facing increased costs. Implementing these changes might mean some businesses will have to lay off, and some businesses won't be able to even maintain their current operation. So at this time, we recommend the status quo and no drastic changes in the Changing Workplaces Review.

Moving on to electricity prices, we cannot stress enough how much this is an issue to the north and to our businesses. We hope this budget reinforces and enhances initiatives to provide relief to business owners on their energy rates.

Here in the north, we have to travel further distances, we are faced with different weather patterns and our industries are energy-intensive. We hope that is taken into consideration as well.

We appreciate and are encouraged by the expansion of the industrial conservation initiative as well as the Northern Industrial Electricity Rate Program. These are essential programs for our region, so thank you for those expansions and making NIER a permanent program. However, we think there is room to expand these even more to have further reach in the north and in Ontario.

We're also hopeful that the budget will provide further transparency and details on how cap-and-trade revenues will be recycled back to the business community, and what type of financial supports will be available to transition to the low-carbon economy. Details are very vague. Also: an economic impact assessment of what cap-and-trade will mean to the regular consumer.

On the skills front, we hear from employers that they're not only finding it difficult to find the people they need, in terms of job-related skills and those technical skills, but also to find motivated workers. Here in the north, we face some of the most pronounced labour shortages, so we would welcome any types of initiatives for the government to continue to work with partners to

offer employment-driven training programs beyond the Canada-Ontario Job Grant, and expanding experiential learning opportunities for students and skills development in indigenous communities.

One part of the solution to the skills shortages are provincial policies when it comes to immigration. The provincial nominee program is one venue. Right now, the list of eligible professions there is very narrow. It doesn't include the trade professions. We want to see the trades there. Creating a similar system to Manitoba, where local municipalities are provided the opportunity to nominate according to their local labour shortages, would be important, as well as addressing the high journey-person-to-apprentice ratios.

Investing in the Far North is critical. There needs to be a long-term vision when it comes to infrastructure, electricity transmission, getting communities off diesel, and communications, but also those urgent needs when it comes to housing and education.

We'd also like the government to recommit to the Ring of Fire. We want to know what the next steps are. We want clarity in this budget on the Ring of Fire file. We're champions at the Sudbury chamber of this file, and think that more clarity should be provided to boost investor confidence there.

The government is making record investments in infrastructure. We'd like to see some of this going towards broadband.

I would also like to take a minute to talk about tourism. Recently, we partnered with the Ontario Chamber of Commerce on a tourism report. Right now, Ontario is lagging behind in terms of our visitation than other jurisdictions. One of the recommendations here is around data. Right now, tourism operators are dealing with 2013 and 2014 data, so it's not relevant for them to make timely decisions. We need more relevant, timely data for that decision-making.

Also, tourism operators are regulated at different levels with different ministries of the province. We need to tighten that up. We need to reduce that duplication.

Adding tourism to the Red Tape Challenge is definitely welcome, so thank you for that. We hope that review comes in a timely fashion as well.

On the innovation front, now that we have to mine more deeply and remotely, innovation is going to be the way to go. So thank you for the focus on that. We do ask, though, that there be reductions in federal-provincial duplication when it comes to processes like environmental assessments, and also enhancing Ontario's flow-through share tax credit to help junior miners raise capital.

Thank you for allowing us to make this submission today.

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. Mankarios. There are questions from Mr. Miller.

Mr. Norm Miller: Thank you very much for your presentation and highlighting a few key things: red tape, the skills gap, electricity costs, labour imbalance and the need for infrastructure investment in the north.

I had time on Friday to meet with the Parry Sound chamber to go over your recent tourism report, Closing Ontario's Tourism Gap. I wondered if you could talk a little bit more about that. There were some specific asks in that report that are budget-related, specifically air travel, that the tax rate in Ontario is much higher than competing jurisdictions. It was also mentioned that there are insufficient tourism information centres in the north. Many of them are closed. So I wondered if you could talk a bit more about the closing-the-gap report and the findings of that.

Ms. Joyce Mankarios: Thank you. I appreciate that question. What this report is highlighting is that between 2006 and 2012, the tourism sector experienced a \$16-billion tourism gap. This gap essentially represents forgone visitor spending. It's based on spending from both overnight and same-day figures. This is based on what's happening around the world with advanced economies. We're looking at what accounts for this gap. Some of those factors, of course, are out of the government's control—when it comes to currency rates, new security measures, the cost of travel and that kind of thing.

Thank you for pointing out the aviation fuel tax. This has increased drastically over the years, especially since 2004. This is particularly detrimental to northern and indigenous communities. It really creates financial barriers to getting access to Ontario tourist destinations. So we're looking for reductions in this aviation fuel tax. Even when we look at the tax and its impact on remote communities and their ability to transport goods and services, their ability to leave and come and go from their communities, it is essential to reduce that fuel tax.

As well, one of the recommendations was better coordination when it comes to marketing budgets. With local communities, provincially and federally, there are different marketing initiatives. Let's coordinate our marketing initiatives there as well.

We would also like some budget consideration in infrastructure—tourism infrastructure and investing—to be able to connect to those tourist destinations as well.

The Chair (Mr. Peter Z. Milczyn): Mr. Fedeli.

Mr. Victor Fedeli: When we met with the northern communities at Queen's Park just the other day—thank you for all the work that you did there—we talked about shining a light on northern Ontario for each bill that was coming into the Legislature. Can you just talk a little bit about your philosophy or your thoughts on that?

Ms. Joyce Mankarios: Yes, and thank you for that, Vic. Our chamber, alongside other chambers, spent a few days at Queen's Park the other week to lobby on northern issues. We would like every bill, every piece of legislation, to take a regional economic lens, looking at: What does this mean to different regions? What does this mean to rural versus urban? Especially for us in the north, we're concerned with: What is this going to mean to northern Ontario?

I gave the example of cap-and-trade. We don't want the north to be subsidizing cap-and-trade for the south, right? So these types of policies need to take that economic analysis view because we need to be fair in our policy across the region.

The Chair (Mr. Peter Z. Milczyn): One and a half minutes.

Mr. Victor Fedeli: I want to expand on that. I told a story in the room that day of when I was mayor of the city of North Bay and Bill 26 came down. It was called the Strong Communities Act, and it wiped out the opportunity for municipalities in the north to be able to build on a wetland. It sounds unusual, but you would replace that wetland somewhere else. I talked about the fact that our industrial park, the entire industrial park in North Bay, was now unbuildable. It was a \$10-million or \$20-million investment that nobody can build on again.

Are there other examples that you have? Or can you just shine a little bit of a bigger light on that? Because I think this is really a key piece of information from the chamber.

Ms. Joyce Mankarios: That's a good point. Just in terms of decision-making on conservation as well, I think they need to be mindful on how different regions rely on energy and that type of thing. Phasing out different approaches and new green acts are great, but in terms of what this will mean to rural areas, what this will mean to indigenous communities and that type of thing, we just find that different policy-making does not always consider the different regions. That's our main concern there.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. If there's anything further you would like to submit in writing, you have until 5 p.m. on January 20.

That concludes all of our witnesses for this morning in Sudbury. I want to thank anybody who came out to present. The committee is adjourned until 9 a.m. tomorrow morning in Ottawa.

The committee adjourned at 1211.

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Wednesday 14 December 2016

Mercredi 14 décembre 2016

The committee met at 0900 in the Residence Inn by Marriott, Ottawa.

PRE-BUDGET CONSULTATIONS

The Chair (Mr. Peter Z. Milczyn): Good morning, everybody. The Standing Committee on Finance and Economic Affairs is in session this morning in the lovely city of Ottawa to hear pre-budget consultations. Deputies will have 10 minutes for their presentation, followed by five minutes of questions from a caucus, and we do the caucuses in rotation.

LOYALIST COLLEGE

The Chair (Mr. Peter Z. Milczyn): Our first witness is Loyalist College. Good morning.

Dr. Ann Marie Vaughan: Good morning.

The Chair (Mr. Peter Z. Milczyn): As you heard, you have 10 minutes. Your round of questions will be with the New Democratic caucus. If you could please state your names for the official record as you begin.

Dr. Ann Marie Vaughan: Absolutely. Thank you, Mr. Chair. My name is Ann Marie Vaughan. I'm president and CEO of Loyalist College. I'm joined today by Cathy Rushton, who is the vice-president for finance and administration at Loyalist College.

Thank you very much and good morning. I am pleased to have the opportunity to speak to you about the Ontario colleges' recommendations for the 2017 provincial budget.

As president of Loyalist College, with campuses in Belleville and Bancroft, I have some comments about our particular needs in the region of eastern Ontario. As I'm sure you are all aware, 2017 marks the 50th anniversary of the college system in Ontario. It's an opportunity to celebrate the tremendous contributions of our college graduates from eastern Ontario and across the province.

College graduates contribute to our communities each and every day. They deliver the services we need in health, policing, human studies, building technologies and applied sciences. They keep our economy moving.

Just think about the footprint. You may drop your child at child care in the morning, located in a building that has been designed by college architectural technology grads and built by building science and engineering graduates. At every turn and every day, we rely on

the services provided by college graduates. We depend on them for the economic and social health and strength of our communities, and we will continue to do so.

As a society, we need to support college education as a viable post-secondary choice for students. In 2014, 58% of all new fall entrants in Ontario post-secondary institutions enrolled at a college.

When we think about how rapidly our world is evolving, we know that strengthening the career-focused programs out of Ontario's colleges must be a priority, and yet, those programs are threatened by serious underfunding. Without a significant long-term investment in colleges, many of our institutions will not be equipped to educate the workforce of the future.

We are in a new age. The World Economic Forum calls it the fourth industrial revolution. Minister Deb Matthews has described it as a disruptive economy, noting estimates that more than 40% of Canada's workforce is at high risk of being affected by automation.

These changes bring opportunities to create whole new jobs and new enterprises. At the same time, there's a lot of anxiety about the elimination of jobs and the changing landscape of the workplace, both for young people and for those who have been working. But many now find themselves unemployed or working in low-end jobs to make ends meet. We need to provide college programs to allow them to retrain and recalibrate their skills and knowledge to help them succeed in today's workplace. It is more important than ever to ensure that individuals can access college programs, which can bridge to the labour market.

The government is taking some important steps in that direction, with measures to improve student assistance so that more individuals will be encouraged to pursue post-secondary education. But there's a great deal more that needs to be done, and that work has to start with the support of our colleges. At a time when college education is more important than ever, the reality is that funding for college programs has continued to drop in real dollars, largely because the funding has been directed towards enrolment increases while the cost pressures created by inflation have been ignored.

In its 2017 budget, the government needs to make a meaningful commitment to the long-term sustainability of college education in this province by providing inflation protection to college operating grants. The fact is that with enrollments trending down because of

demographics and cost pressures rising, there is simply not enough money to be invested in our institutions today. This reality has been recognized and addressed for the public school system over the past 10 years. Even government fees have now been indexed to inflation. It's time to do the same for colleges.

I want to talk to you about Loyalist College in particular. Loyalist is located in the beautiful, extensive rural area beyond the cities of Belleville and Quinte West. The college is a key driver of the social and economic health and prosperity of the area and has a direct impact on the labour market. It contributes 5.4% to the gross regional product, representing an overall effect on the regional economy of \$530 million, according to an EMSI report completed in 2014.

Everywhere I go, I meet Loyalist grads. The college has a strong community affinity on many fronts. Loyalist grads help our communities to thrive. Yet, with the challenge of demographics and declining enrollments, we need a review of the current funding allocation, and in particular, the Small, Northern and Rural Grant, which is intended to deliver additional funding to smaller colleges and colleges in Ontario's north which experience higher per-student costs due to a lack of economies of scale that lower per-student costs of education delivery.

However, with the current funding allocation, a small southern college like Loyalist is at a relative disadvantage on a per-student basis, when compared with northern colleges of a similar size, despite having very similar cost pressures. In absolute dollars, this gap represents as much as \$2.7 million at a flat rate over \$3.4 million, when compared on a per-student basis, to other northern colleges. Yet, we have to provide the same suite of services to support our students and their success. Clearly, if this funding were to be provided on a more equitable basis, it would allow Loyalist to deliver its programs and services more effectively.

The budget should also ensure that people from all walks of life, including some of our more marginalized groups, are able to attend college to acquire the qualifications they need to succeed. This includes support for students with special needs and disabilities to help more of them obtain the professional and technical skills that lead to well-paying careers.

The budget should also provide new investments to deliver college education to more indigenous learners. At Loyalist, over 10% of our full-time students identify as aboriginal. We work closely with our aboriginal education circle and our neighbours, the community of the Mohawks of the Bay of Quinte and Tyendinaga territory, as well as other First Nations, to encourage higher levels of participation in and completion of college programs. The budget should include commitments to allow more indigenous learners to enter and complete college programs.

0910

Thank you again for providing the opportunity to speak today, and I'm pleased to answer any questions you may have.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. This round is with Ms. Fife.

Ms. Catherine Fife: Thank you for coming this morning and for sharing some of your direct concerns as to how college funding is flowing in the province of Ontario. It is not an uncommon theme that we've heard. Just yesterday in Sudbury, we heard from Laurentian, essentially asking for a moratorium on future cuts or reductions until Sheldon Levy, who is the deputy minister, actually follows through on the promise to modernize the funding formula. Would a moratorium be helpful to Loyalist College as, really, just buying some time until the government decides how they're going to fund colleges and universities?

Dr. Ann Marie Vaughan: In some respects, yes. The bigger challenge—and I'll let Ms. Rushton speak to it further—is that we really need the accessibility of the Small, Northern and Rural Grant to apply to southern colleges. What's happening is that we currently have a gap in funding, so we're dealing with deficits in our institutions.

Ms. Catherine Fife: Is that the \$2.7 million that you mentioned?

Dr. Ann Marie Vaughan: That's the deficit, yes, that we're not getting and that other institutions would get. What happens as a result of that is that you're focused on that as opposed to focusing in on what our primary mission is, which is ensuring that we have the best programs, that our programs are relevant, that we're attracting the students we need to and that we have a direct impact on the labour market.

Ms. Catherine Fife: How do you protect your student population from that deficit? You did reference that you would love to do more outreach for aboriginals and you would like to offer greater opportunities for special needs students. These actually are very common themes in the public education model as well, because when enrolment is the main driver of funding, then there's no stability going forward. Do you agree with that?

Dr. Ann Marie Vaughan: I do believe that there should be a combination of certain essential services that you have to provide to a student, regardless of your size.

Ms. Catherine Fife: I agree, yes. So that's the model that you're currently discussing with the deputy minister for how to address the disparity, if you will.

Dr. Ann Marie Vaughan: That's part of it, for all the 24 colleges that are involved in the dialogue. For Loyalist, why we're here today is because we have a specific need around the small and northern colleges to apply to the southern.

Ms. Catherine Fife: Absolutely. It's interesting, because there is a very important discussion happening around the roles of colleges in Ontario.

You referenced the economy. My own son, for instance, was going to go to four years of university and then go to college, but after discussing it with him, he has just gone to college, and he'll be more employable sooner. There is a stigma still, I think, that colleges are facing around their role in the education system in

Ontario, but also in the importance of colleges to the economy. It's an uphill battle still, but I think you've made good progress. Would you agree?

Dr. Ann Marie Vaughan: I believe so—

Ms. Catherine Fife: Usually when people nod I just say, "Would you agree?"

Laughter.

Dr. Ann Marie Vaughan: Yes, I would agree with that, and the sheer number of students that are coming from universities to colleges to get the skills they need to bridge them to the labour market is one of the validations of the fact that that has been achieved. Almost 20% of the student population in Ontario colleges now are students coming with previous degrees, so even university students are acknowledging that they need the specific skill sets that colleges give them to bridge them to the labour market.

Ms. Catherine Fife: The experiential learning is really, really important, I think.

Dr. Ann Marie Vaughan: Yes.

Ms. Catherine Fife: Anyway, I do want to thank you for coming in. Just know that your concerns have been heard, and consistently, across the province.

Dr. Ann Marie Vaughan: Thank you very much, and thank you to all members of the panel today. We really appreciate your time.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. If there's anything further that you would like to submit in writing, you have until 5 p.m. on January 20.

OTTAWA-CARLETON DISTRICT SCHOOL BOARD

The Chair (Mr. Peter Z. Milczyn): Our next witnesses are from the Ottawa-Carleton District School Board. Good morning.

Ms. Shirley Seward: Good morning.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation. Your questions will be from the Liberal caucus. If you could please state your names for the official record as you begin.

Ms. Shirley Seward: Thank you very much. My name is Shirley Seward and I am the chair of the Ottawa-Carleton District School Board, which consists of over 70,000 students in the Ottawa-Carleton area. I am joined on my right by Norah Marsh, who is the associate director of education; and on my left by CFO Michael Carson. We are absolutely delighted to have this opportunity to meet with you today.

If you look on page 2 of your handout, you will see that we are making six recommendations today. Given the shortness of time, I'd like to focus on the first three or four and leave the others with you.

You'll all be pleased to know that the first recommendation is not just about more money. Of course we want more money, but the critical component in this is, as you will see, to ensure sustainable multi-year funding of public education, facilitate effective long-term planning

with the earlier release of the Grants for Student Needs and flexibility to allow boards to meet local needs.

We believe in long-term planning. We have a four-year strategic plan which we monitor and evaluate four or five times every single year. In February, we are meeting at a retreat to see what we've accomplished so far and to stretch that four years out so that we have a rolling strategic plan. I know in Ontario, all parties believe in long-term planning, but it is very difficult for boards to engage in long-term planning in a system where funding allocations are made only months before the start of the new fiscal year and are only for one year. Multi-year planning on our part requires stable multi-year funding and flexibility to meet local needs.

Also, we, like all boards, have collective agreements. Both the province and the local boards develop those collective agreements. Some 80% of our budget goes to our staff, including teachers. We have to make decisions with respect to staffing in March according to those collective agreements, and often, we have not even received the GSNs.

The CFO will tell you, if you ask him, that every week earlier that we can receive information about our Grants for Student Needs would help us, given that we have to commit 80% before we have the details.

The second recommendation is to establish a regular capital funding cycle and protect capital investments with sufficient facility maintenance funding. The board is very appreciative of the government's generosity in recent years with respect to capital projects. This year, we have opened three brand-new schools in rapidly growing areas. But at the same time, we are looking at every area of our district and conducting learning and pupil accommodation reviews that will result in school closures, consolidations and needed improvements.

As we go through this process of developing our plans, which are tough decisions to make—there's nothing more heartbreaking for parents than a closing school. We're prepared to make those decisions and to be tough about it, but what we've noticed as we've rolled out these plans is that the backlog of unfunded renewal costs is staggering. So if we are consolidating two schools, saving money because one school is gone, having better learning because we have more pupils together, we can offer them a wider choice of programs. We have to be able to improve the remaining facility. Our backlog right now is close to \$600 million in maintenance and upkeep.

0920

The third topic close to everybody's heart is child care. This is interesting, because years ago the provincial government asked us to roll out full-time kindergarten, and also to establish extended-day programs in all of the schools where there is a demand. We have done that. In fact, about 5,000 children are receiving child care from the Ottawa-Carleton District School Board. It makes us one of the biggest providers in Ontario.

The problem is that we cannot reach the most vulnerable people, and the reason for that is because there are

not enough subsidies for very low-income, vulnerable people. These are the kids who need it most. These are the kids who benefit from having a rich, warm, caring and safe environment, and child care associated with their school day. Please help with the subsidies. They come from the city. The city will tell us, "We need more funding from the province."

The fourth area is student learning. We are proud of how we are doing in terms of the EQAO testing. In seven categories out of 10, we are higher than the entire province's average. However, that hides very serious gaps and weaknesses for poor people; people from low socio-economic backgrounds; First Nations, Métis and Inuit people; children with special needs; and English language learners. One in five children in our public school system are English language learners—20%. We cannot reach them well without having additional funding targeted at that vulnerable population.

A particular aspect of that is refugees. In Ottawa, we have over a thousand refugees. Between 500 and 600 are with our school board. Some of them, the earliest arrivals, are coming to the last month or two of being funded by the federal government. We are being funded for these students as for any student in our system. We get that funding, for which we're grateful, but they have huge needs. They have psychological needs. Many of them have been in camps. They have all been in war-torn countries. They have been in refugee situations in other countries before coming to Canada. We have reached out to them. We are happy to have these kids in our system. They bring richness not only to the public education system, but to those students who have never been exposed to what these children have gone through. But it costs much more to do this properly than the normal amount we get based on a person sitting in a seat: social workers, psychologists, addiction counsellors, grief counsellors for those children who have lost family members—it is a big one.

I know that certainly in Toronto, the problem is even more acute within the school boards there. It's something that we need to do, but as the federal money dries up, after a year, it falls on the province. If we are going to break the cycle of poverty for these people, then we have to reach the kids. We have to reach the kids through our education system.

There are other recommendations here, but I'd prefer to leave a little bit more time for questions. Thank you all very much for listening, and I'm happy to answer questions.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. This round of questions starts with Ms. Hoggarth.

Ms. Ann Hoggarth: Good morning, and thank you for your presentation. I am currently a member of one of those collective agreements. I'm on leave from the Simcoe County District School Board. Everything that you say, I understand fully. When you first said you weren't going to ask for money, that would have been twice this round of presentations, which really surprises us. Just about everyone asks for money. That's what we're here to—

Ms. Shirley Seward: It was subtle; it was subtle.

Ms. Ann Hoggarth: Well, thank you very much, and I thank you for pointing out that we've committed a lot of money to capital in order for students to be in good facilities. Children do learn better when they're in good facilities, and we're working hard to try to fix up the ones that need fixing up too. Thank you for being patient. I know it is hard to be patient waiting for those funds.

Earlier this year we announced increased funding for education to \$22.9 billion, an increase of 59% since 2003. The graduation rate has increased to 85.5%, more than 17 percentage points since 2004, when the rate was just 68%.

Can you tell the committee more about how programs introduced through the Student Success Strategy are helping to sharply boost the graduation rates since 2004, please?

Ms. Shirley Seward: I'd be happy to start, and then I'll ask the associate director to continue.

Our concern, and I think you share our concern, is for the most vulnerable students, whether they're struggling because of mental health issues or special learning needs or their refugee status—whatever. This is the core of what gets me up in the morning and makes me eager to get into school board business.

But on the specifics, I'll ask the associate director, Norah Marsh, to answer your question.

Ms. Norah Marsh: Thank you. We've been very appreciative of the student success initiative, and there has been a lot of success connected to the outcomes for our students. In particular, I think the re-engagement strategy, the credit recovery strategy and a focus on sound assessment and evaluation have all been helpful.

I would suggest, however, that it has focused on secondary school outcomes primarily. What we know is that early interventions are most important, so we would ask for that initiative to be spread from pre-kindergarten to grade 12. Certainly, one of the areas that we know is a focus is well-being, and we think that's grown out of the student success initiative. However, the attention we're paying to mental health currently isn't sufficient. We have some interventions in place, thanks to funding, but they're not making the difference we need to see in our schools. We are seeing anxiety and acting-out behaviour at earlier and earlier ages. More focused intervention early age—that's one of the reasons why we've embraced the extended day program within our district. It was trying to embrace that holistic view of the child. But we're recognizing that there are gaps that we don't have the resources to fill.

Ms. Ann Hoggarth: As a junior/senior kindergarten teacher, I have noticed how much that has impacted on the whole elementary system, that that is good for everyone. Could you comment on that, please?

Ms. Shirley Seward: I'd be happy to do that. We are already seeing a difference. The readiness of children by the time they get to grade 1, which is when they legally have to be in school, is quite pronounced. It's because of that that we want to reach those children who most need

that kind of an intervention, trying to get communities to take advantage of what subsidies we have, but more importantly, trying to increase the number of subsidies so that we can bring in the children who will benefit most.

But as Norah Marsh indicated, we are seeing some serious behavioural issues across the province emerging at the kindergarten level, so the interventions must be early to be effective. Given the positive impact we have had with older children through the program, I think it's well worth the investment in our youngest learners.

Ms. Ann Hoggarth: Thank you very much and thanks for all you do for kids.

0930

The Chair (Mr. Peter Z. Milczyn): Thank you very much—

Interjection.

The Chair (Mr. Peter Z. Milczyn): Just a moment, Ms. MacLeod.

If you have any further written submissions you'd like to provide, you have until 5 p.m. on January 20.

Ms. Shirley Seward: Thank you. I hope everyone does have the submission that we handed out today.

The Chair (Mr. Peter Z. Milczyn): We do.

Ms. Shirley Seward: Excellent. Thank you.

The Chair (Mr. Peter Z. Milczyn): Ms. MacLeod.

Ms. Lisa MacLeod: Thank you very much—just a brief point of order to congratulate my daughter's school board for a great presentation today. I just really wanted to reiterate the importance of assisting our school boards across Ontario with the influx of refugees. There are 70 refugees, young children, in my daughter's school at Manordale. I just do not believe that we have the proper supports, linguistically, for some of these children. I appreciate you bringing that up. I thought you did a great job.

The Chair (Mr. Peter Z. Milczyn): That's not a point of order, but thank you for your intervention.

Ms. Shirley Seward: It was quite clever, wasn't it?

The Chair (Mr. Peter Z. Milczyn): It can only happen once.

Ms. Shirley Seward: Thank you very much to everybody for inviting us.

AIR TRANSPORT ASSOCIATION OF CANADA

The Chair (Mr. Peter Z. Milczyn): Our next witness this morning is the Air Transport Association of Canada. Good morning, sir.

Mr. Michael Skrobica: Good morning.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes. Your round of questions will be with the Progressive Conservative caucus. If you could please state your name for the official record as you begin.

Mr. Michael Skrobica: I am Michael Skrobica, senior vice-president and chief financial officer of the Air Transport Association of Canada, ATAC. My organization is a trade association representing commercial aviation in Canada. It has approximately 177 members.

ATAC members in Ontario include airlines, air taxis, flight-training units, cargo carriers and air ambulances.

Ontario has remote areas as well as metropolises, so aviation is a binding force for the province. It is an integral part of the health care system for remote areas. In some areas of the province, commercial aviation is the only means to deliver food and groceries.

Therefore, I come to tell you today that some of Ontario's tax policies are putting this province in a less-than-favourable economic position.

ATAC recently commissioned a study on aviation fuel taxes for all Canadian provinces and territories, along with US states adjoining Canada. The study indicates Ontario's rate to approximate the rate for those provinces that have a carbon tax, even though Ontario does not have a carbon tax regime.

I hope the Clerk has distributed my presentation, because I'm going to read from a table here.

The first two provinces listed in this table are Alberta and British Columbia. Both of them are the only provinces in Canada that have carbon taxes in place. Alberta's is 1.5 cents for the excise tax and 5.1 cents per litre for the carbon tax, to a total of 6.67 cents. British Columbia's is two cents for excise, and 7.83 cents for carbon tax, for a total of 9.83 cents. The rest of the provinces, as you'll see from the table, do not have a carbon tax.

However, it stands out that Ontario's aviation fuel tax is at 6.7 cents, effective April 2017. This is out of line with all of the rest of the provinces. We ask, "Why us?" No other transportation sector is hit to this degree with excise taxes. We would ask you to reconsider this rate and lower it to an average, or a weighted average, of non-carbon-tax-province levels, in order to provide us with equity with other transportation modes.

The study also indicated that Ontario was unique in levying a fuel tax on international travel. This violates the United Nations Chicago convention on extra-territorial taxation of fuel. We would appreciate it if you would review this. Our only other alternative is to have a US member make a complaint under the open skies policy. We would like to avoid a federal-provincial dispute, and we would ask you to kindly look at that.

ATAC has a number of flight schools in its membership, many in the province of Ontario. The competitive nature of flight schools is impacted by provinces offering costs at lower prices. Over 30% of the average flight school's students are foreign. Therefore, those schools that offer lower costs inevitably win out. Since 30% of the school's clientele can either make or break a school financially, it is critical to ensure that Ontario's schools are competitive.

ATAC analyzed the fuel burned by school and discovered that a complete remission for the educational component of their fuel burn would amount to \$148,000 a year. I have attached appendix A, which shows the calculations on that. This amount is a pittance. It would go towards education because these flight schools are, for the most part, vocational educational institutions and, as a result, would improve education in the province.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation. This round of questions begins with Mr. Fedeli.

Mr. Victor Fedeli: Thank you very much. It's great to see you again, Michael. You were here last year?

Mr. Michael Skrobica: Yes.

Mr. Victor Fedeli: And you made a presentation that talked about some of the impacts of the pending aviation fuel tax increase. You warned us of certain categories in certain areas. Can you talk to us about what's happened in the 12 months since you were last here?

Mr. Michael Skrobica: Flight schools, as a general rule, are experiencing difficult times because foreign students are now deciding to go elsewhere. There's an influx of Chinese students who are going to British Columbia, believe it or not, but they also locate to other provinces that have lower rates.

These are small businesses, for the most part. Yes, we have some colleges that are a part of the flight school makeup here in this province, but it's very difficult for these people to make ends meet. The fees that the students pay do qualify for an educational deduction. From our perspective, we think that we should have an exemption on aviation fuel taxes, similar to what school boards or colleges would have.

Mr. Victor Fedeli: I'm just working my way backwards here. The United Nations' extraterritorial taxation: Can you tell me just a little bit more about that? What year was that convention resolved?

Mr. Michael Skrobica: It was done in 1945 in Chicago. It was a predecessor to even the UN, because the UN was set up months later. It is a convention that Canada has signed on to, and that most other countries that have international flights have signed on to. Included in there is a standard that signatory governments do not charge fuel taxes for international flights.

Mr. Victor Fedeli: What percentage? Do you have any idea what number this is that we're talking about?

Mr. Michael Skrobica: It would be substantial. There are international flights—a significant number—out of Toronto and Ottawa in this province, so you'd be talking millions of dollars.

Mr. Victor Fedeli: Okay. Are you pursuing that in any way or is that guidance from you, that if we don't do something about this, don't be surprised when an international carrier—

Mr. Michael Skrobica: —makes a complaint with Canada, and then Canada is going to have to take up the issue with Ontario. Part of the fuel study is that Ontario is the only province that does this in Canada.

Mr. Victor Fedeli: That's why you say we're unique.

You talk about the carbon tax, but let's talk about cap-and-trade in January. Is there an effect on your fuel come January or not?

0940

Mr. Michael Skrobica: There isn't. We're excluded. We're not one of the significant emitters. From our perspective, we're still feeling the impact as if it was a carbon tax.

The thing is other emitters in the province like other transportation—railways, bus lines, cargo carriers—are not being taxed this type of tax. From our perspective, we think that's inequitable.

Mr. Victor Fedeli: So 6.7 cents, compared to the other provinces—excluding the carbon tax, where Alberta basically comes up to almost the same rate as Ontario. Manitoba, New Brunswick and the others are at two cents or one cent or that type of thing. What were we before this new aviation fuel tax?

Mr. Michael Skrobica: The province started it at 2.7 cents.

Mr. Victor Fedeli: We were at 2.7 cents?

Mr. Michael Skrobica: You were right in the pack.

Mr. Victor Fedeli: Is April 2017 the last increase that we'll see?

Mr. Michael Skrobica: There are four one-cent increases.

Mr. Victor Fedeli: So this is four years in a row we've increased—

Mr. Michael Skrobica: This is the last one.

Mr. Victor Fedeli: Did you have a comment?

Ms. Lisa MacLeod: I do, quickly. We talked briefly beforehand about the impact on some of the flight schools. You had indicated that one of the flight schools here in Ottawa will be relocating out of the city. I'm just wondering if you could share 20 seconds' worth of comments on that.

Mr. Michael Skrobica: It's trying to obtain work in Cornwall. They have facilities which are going to be somewhat cheaper to operate out of Cornwall.

Ms. Lisa MacLeod: How many employees and students does that impact, do you know?

Mr. Michael Skrobica: Typically, a flight school has 30 to 40 employees.

The Chair (Mr. Peter Z. Milczyn): That's all the time we have in this round. If you have any further written submissions, you can submit it by 5 p.m. on January 20.

Mr. Michael Skrobica: Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you, sir.

GREATER OTTAWA HOME BUILDERS' ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Greater Ottawa Home Builders' Association. Good morning, sir.

Mr. John Herbert: Good morning.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation. This round of questioning will be with the New Democrat caucus. If you could please state your name for the official record.

Mr. John Herbert: Thank you, Mr. Chairman. Committee members, good morning. My name is John Herbert. I'm the executive director of the Greater Ottawa Home Builders' Association. We are the voice of the land development, renovation and home construction business in Ottawa. We have about 400 member companies who employ over 25,000 people in Ottawa. We're

one of the largest private-sector employers. We pay out about \$1.2 billion in wages annually and generate about \$3.8 billion in economic activity.

These numbers are actually down about 20% relative to our 10-year average, because in Ottawa, as they say, we're caught between a rock a hard place. We have on one side the federal government, who went into a job-cutting mode several years ago. That resulted in a 25% decrease in housing starts in Ottawa, so we're having to deal with that. And on the other side, we're dealing with the city of Ottawa, which is constantly increasing fees, charges, taxes and levies, creating more complex processes and procedures, and generally slowing the land development and housing construction business. We've got our work cut out for us here in Ottawa. We're hoping that we can get some help from the province on that.

I'm going to shift gears here and move right into a couple of points. I have three points that I wanted to address today. The first one is the HST threshold. First of all, we wanted to congratulate the province for its work in 2009, when it established a threshold of \$400,000 on housing for that. That was an important measure that hasn't been done in all provinces in Canada, so we're grateful for that. At the time there was a request made by us for an indexing of that amount to be established at some point. We would like to request that consideration be given to that indexing now, because as the price of housing continues to shift, there are fewer and fewer people who qualify at that threshold. I think in 2009, the average home price in Ottawa was a little over \$400,000, so it made sense. Today it's about \$535,000 or \$540,000, so there aren't many people who qualify at that threshold level anymore. Indexing would make a huge difference.

This brings back memories for me of the late 1980s, when the federal government introduced the HST. They promised at that time that they would index the HST. Although we have lobbied them every year ever since, we haven't seen any results of that, and it doesn't look like we're going to. They continue to reap some pretty significant windfall profits from those measures.

Labour and material cost increases pale in significance compared to the tax increases that are driving the cost of housing, by all three levels of government. We hear anecdotally every day on the radio about housing affordability and the problem of housing affordability. This is driven by the federal, provincial and municipal governments across the province. I think the sooner we recognize that and begin to deal with it, the better off we'll all be.

The second item I wanted to touch on was climate change. Our industry has probably been the most aggressive in Canada in terms of reducing greenhouse gas emissions. When the building code is changed on January 1, new homes will be required to consume 50% less energy than they have since 2005. That's a pretty significant decline, so we're all pretty pleased about the progress that we've made on that.

Ottawa builders were among the first in Canada to have adopted energy-efficient construction technology, Energy Star particularly, so our membership are amongst

the highest in Canada in terms of the use of those energy-efficient technologies. There isn't another industry in Canada, really, that has made the progress that we have in terms of greenhouse gas reductions.

Just to give you an example, since 1985, Chevrolet has achieved about a 3% increase in mileage. We've achieved about an 80% reduction in greenhouse gas emissions, just to put it in context. It shows just how much progress our industry has been able to make on the greenhouse gas front.

But we only build 60,000 to 70,000 houses a year in Ontario, so we think that the low-hanging fruit now is to deal with the inventory that exists. There were tens of thousands of houses built in Ottawa before the building code even existed. If we start to deal with those, we think we can make some pretty significant further gains.

We really support the climate change action plan's home energy rating and disclosure system, so that every house that was going to be listed for sale would have to get an energy rating and disclosure. It's a couple hundred bucks. It's not a significant amount of money for somebody selling a home worth \$300,000, \$400,000 or \$500,000, but it would alert them and the buyers to just where that home stands in terms of its energy efficiency and the kinds of monies that could be consumed in the future for energy purposes.

That's where the low-hanging fruit hangs, as far as we're concerned, so we really support the province in terms of implementing that rating and disclosure plan. We think it could be a really significant turning point in Ottawa, because the renovation sector here represents about \$2 billion a year. If we could only get a relatively small amount, say 5% of that market, that would convert into about \$100 million a year, so there are significant gains to be made on that front as well.

If the government were to simultaneously introduce a renovation tax credit, which has existed before, and allow it exclusively for energy-related technologies in homes, we think we could make some huge additional gains in terms of greenhouse gas reductions, so that's one major point that I would leave with you.

The last item I wanted to touch on was infrastructure. We favour what we call "core infrastructure" or "hard infrastructure." These are roads, bridges and sewers, versus soft infrastructure, things like community centres and so on and so forth. Hard infrastructure is the way to try and address housing affordability, if there's an interest there to do so.

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In Ottawa, one of the biggest projects here where infrastructure has played a role is funding of our LRT system. That has driven a lot of investment in Ottawa. Of course, when government invests in large infrastructure projects like the LRT, the private sector follows very closely and will be investing in Ottawa hundreds of millions of dollars in high-rise projects around LRT stations.

Government infrastructure investment generates tremendous private sector investment, and we're grateful for that.

I would remind you, though, that these large infrastructure projects are very difficult for municipal government property taxpayers to fund. They're beyond the reach of development charges. In Ottawa, we're paying about a third of the LRT system, but in Hamilton, Toronto and other jurisdictions, 100% of their LRT systems are paid for by the province, so we need some help on that front.

In terms of future infrastructure investment, the second phase of the LRT would be an excellent way to go, because it would generate significant amounts of money from the private sector.

The last thing I wanted to mention, in terms of infrastructure projects, was what we think of as the missing link in Ottawa, which is a connection between Highway 416 on the west and 417 on the east, a line that would run parallel to Ottawa across the south end. This would essentially create a loop, a ring road, that is currently missing. If the province is not interested in funding the construction of that, we suggest that you should acquire the right-of-way and protect the right-of-way so that in future, that link can be built. It is going to be required; there's no question about that. It's just a matter of when. By acquiring the right-of-way and protecting the right-of-way, you will protect the future transportation interests of Ottawa.

Those are the three main things I'll leave you with: the HST threshold, combatting climate change, and transportation infrastructure.

Thanks very much for your time today. I'd be pleased to try and answer any questions that you might have.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Herbert. Our AV technicians tell us that your phone is interfering with the mike, because it's on top of it.

Mr. John Herbert: Oh, sorry. That was my timer.

The Chair (Mr. Peter Z. Milczyn): Thank you.

Interruption.

Mr. John Herbert: See? How's that for timing?

The Chair (Mr. Peter Z. Milczyn): Excellent.

This round of questions begins with Ms. Fife.

Ms. Catherine Fife: Thank you, Mr. Herbert, for coming in and sharing your top three major concerns, I would think.

Just to go to the HST, around the new housing threshold, you say in your presentation that you're asking the government to review whether or not the \$400,000 threshold is an appropriate number, given the changes that have occurred in the housing market, and then you give some specific examples.

Has your organization done any research or done an environmental scan around what an appropriate threshold would be? I understand that you're not making a specific recommendation today, but this government probably needs some assistance in trying to determine what that number is. Can you speak to that a little bit, please?

Mr. John Herbert: Sure. We don't have the funding to do a study of that nature. We think the provincial government does. We would be thrilled to provide the

expertise, the consultant expert input, for a study like that and assist with it.

It's a difficult thing to peg. That's why we didn't pick a number for it. It does vary from city to city, in many respects, because the market conditions shift or are different from city to city.

Ms. Catherine Fife: And has this been a consistent request, though, since 2009?

Mr. John Herbert: Yes.

Ms. Catherine Fife: So every year, you've come and you've asked the government to review the HST threshold for housing.

Mr. John Herbert: In one way, shape or form. I didn't make the cut here last year, so I wasn't able to ask last year.

Ms. Catherine Fife: Well, we're glad you made the cut this year, sir.

The other issue, around an energy-specific home renovation tax credit—this idea has multiple benefits, I think.

Mr. John Herbert: Yes.

Ms. Catherine Fife: We've heard that it would flush out the underground economy around cash-only work, it would address much-needed revenue from the provincial perspective, and it would address safety concerns—consumer protection and the safety concerns of workers who actually would be qualified to do the work.

The last home renovation tax credit was very successful. Do you have any sort of rationale as to why the government has not pursued what is a progressive idea that would be very helpful to local economies and home builders across the province?

Mr. John Herbert: No, we don't really understand why. As well, we did lobby the federal government very heavily on this prior to their budget, because they are also interested in the climate change file. They did not include it either. So we're confused as to why neither the province nor the federal government have chosen to implement what you rightfully described as a very successful program over history.

Ms. Catherine Fife: It's quite contradictory, I think. We're very supportive of the idea of bringing, as you point out, an energy-related specific home renovation tax credit. I think that this province needs it.

Thank you for raising the issue around the need for greater coordination between the levels of government as well. I think you did a very good job today, so I just want to thank you for coming in.

Mr. John Herbert: Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you very much, sir, for your presentation. If there's anything further you'd like to submit in writing, you may do so until 5 p.m. on January 20.

CHAMPLAIN COMMUNITY HEALTH CENTRE NETWORK

The Chair (Mr. Peter Z. Milczyn): Our next witness on the list isn't here yet, so we'll proceed to the Champlain Community Health Centre Network. Good

morning. You have up to 10 minutes for your presentation. This round of questions will be with the Liberal caucus. If you could please state your name for the official record.

Ms. Simone Thibault: Simone Thibault. Good morning. Bon matin à Ottawa. You just skipped the two snow storms, from two days ago and the one coming up. Impeccable timing.

Thank you for the opportunity you provided me to present. I'm the executive director at Centretown Community Health Centre, which is just a few blocks away from here, but I'm here on behalf of our Champlain Community Health Centre Network, which is 11 community health centres across Champlain. We provide interprofessional care to people in our community all across Ottawa and the Champlain region.

We serve many vulnerable populations, such as isolated and frail seniors; francophones; immigrants and refugees; homeless and precariously housed people; racialized and LGBT communities; low-income individuals and families; and those living with mental health and addictions issues, amongst many others.

This morning, I'm asking you for money, but I'm asking you for smart money so that we save money elsewhere.

I want to speak to you specifically about three crucial areas that the Ministry of Health must address in their budget 2017 to support its objectives of moving care into the community and reducing the current strain we have on our emergency departments. I want to speak to you (1) on recruiting and retaining the workforce necessary to provide services in the community, (2) realizing the value of integrated care by imbedding care coordinators in primary care teams, and (3) funding additional community dental clinics to deliver preventive oral health services to low-income families and individuals.

As community-based care providers, we support the health ministry's objectives of providing the right care, in the right place, at the right time. Currently, however, community-based services are under-resourced, and particularly, salary rates for staff in community health centres, established by the government, are not competitive and we are increasingly losing key members of our staff, such as our nurse practitioners and our dietitians, to higher-paying jobs that have benefits in other parts of the health care system, such as hospitals and public health units.

Four years ago, in 2012, we did a market rate of our salary rates for interprofessional primary care. It was determined at that time that we were 10% to 35% below market value. That was in 2012. We have yet to see what it would look like in 2016 or 2017.

We were actually pleased to see increases for interprofessional staff salaries in the Ontario budget 2016. This was a really good first step. However, that funding still leaves us with a shortfall to remain competitive and appropriately resourced.

Our ask: In partnership with the Association of Family Health Teams of Ontario and the Nurse Practitioners'

Association of Ontario, we recommend that the government provide an additional \$130 million annually for interprofessional staff at community health centres, family health teams, aboriginal health access centres and nurse practitioner-led clinics. This will help ensure that interprofessional primary health care services can be provided in communities throughout the province.

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As for our second point on care coordination, when adequate resources—and I think we all know that—are in the right place at the right time, we can realize the value of our investments in health care. These investments must be used wisely. We support the renewed attention to the importance of care coordination in the Patients First Act that just passed last week, but we want to see it embedded within primary care.

At Centretown Community Health Centre—my centre—we see countless examples of people who require multiple community supports. Our dedicated and caring staff work with home care providers and informal caregivers to provide the fullest spectrum of care to the best of their ability. However, when home care supports are insufficient or an informal caregiver's health begins to deteriorate, the delicate balance of supports quickly falls apart. This is particularly crucial for people receiving palliative care, and I have examples from my nurses, social workers and does every week on this.

Our work in the community cannot continue with the current lack of supports. When our work is stopped, the hospital becomes the backup. This is not acceptable.

As an interprofessional team of primary care providers, we have a 360-degree view of our patients' daily needs, needs that include many social determinants of health, such as safe housing, access to healthy food and safe transportation. Care coordinators must be embedded within interprofessional primary health teams to provide truly integrated care for patients receiving care in the community or at home.

To reiterate our ask: We recommend that care coordination be fully embedded in interprofessional primary health teams to avoid gaps and prevent people from landing in emergency rooms when there are too many barriers to receiving services in the community or in their home.

Our third part is on oral health. Emergency rooms are too often the only stopgap for people with health emergencies. In the Champlain LHIN alone, there were 6,000 visits to emergency rooms for oral health problems in 2013. But people cannot get dental care in an emergency room; they can only get a prescription for painkillers. Considering the minimum cost of \$513 for such a visit, dental emergencies seen in hospital emergency rooms were at a cost of more than \$3 million that year in our LHIN alone, with no treatment provided.

This is not a good use of our acute care system. These funds should be redirected to community dental clinics where people who cannot afford a dentist can get the preventive oral care they need. This is the right care, in the right place, at the right time.

Oral health is an essential part of overall health and well-being, and I don't need to convince the people in the room of that. Research tells us that there is a link between poor oral health and diabetes, cardiovascular disease and respiratory diseases. Preventive oral care can improve a person's health in other ways as well.

There was data from the Gateway Community Health Centre, which is in our neighbouring South East LHIN, that showed their services were very effective, because they have a dental clinic. For every dollar invested in the community dental clinic by that LHIN in 2015-16, the health care system saved \$2.34 by diverting people away from the emergency room. This is a 234% return on investment.

Meanwhile, the number of people visiting emergency rooms continues to increase. A year ago in our town of Ottawa, our Ottawa medical officer of health flagged the increase in emergency room visits for dental decay. He reported that in 2014, there were 1,740 visits to the ER for ambulatory care sensitive dental conditions such as dental cavities, eroded teeth and gingivitis, problems that could have been mended at a clinic. That's 600 more hospital visits compared to 10 years ago, and the patient only leaves with painkillers, not proper treatment for their teeth. Only 42% of people in Ottawa living below the low-income cut-off have dental insurance.

Our ask: We understand you already heard from the Ontario Oral Health Alliance as well on this topic, and we support their recommendations, basically—specifically, their recommendation that the government invest \$10 million in the first phase of a public oral health program. This program would maximize the use of existing public investments in dental clinical infrastructure in community health centres, aboriginal health access centres and public health units to bolster patients' circle of care. Importantly, it would set the stage for a broader program of public oral health services for all low-income adults and seniors in the province by 2025.

In conclusion, these services are crucial to provide the right care in the right place at the right time. In the absence of adequate funding for the interprofessional primary care workforce to provide services, care coordination that is embedded in interprofessional primary care teams, and increased access to preventive dental care, people will continue to rely on hospitals and emergency rooms—not a wise choice, both fiscally and in terms of quality of care.

Thank you for your attention. I'm happy to answer any questions you may have.

Si vous voulez les poser en français, c'est bien aussi.

The Chair (Mr. Peter Z. Milczyn): Merci. This round of questions is with the government caucus. Mr. Baker.

Mr. Yvan Baker: Thank you very much for coming in to speak with us today. In advance of your presentation, we were doing some reading about what you do, because not all of us are familiar with the work of your network. Most of us are not from the Ottawa region. I was reading about, for example, Ottawa Inner City Health working with the homeless population in Ottawa,

and how you're working with homeless folks in part struggling with alcoholism, for example.

I was reading about the Carlington CHC, and that you're in construction for an expansion that will include an additional four-storey building, and it will be dedicated to a brand new medical centre, with the remaining three floors for seniors' housing.

Although I represent a community in the suburban part of the city of Toronto, I have to say that these are the kinds of services, the seniors' services, the services for those who are homeless, that I can appreciate, how important they are. So I just wanted to start by thanking you for the work that you and all your members do.

Ms. Simone Thibault: Thank you.

Mr. Yvan Baker: I think it was announced in October that the provincial government is providing about \$425,000, if I'm correct, to fund the establishment and operation of the Limoges satellite site, which is a community health centre.

Ms. Simone Thibault: Yes.

Mr. Yvan Baker: I'm glad to hear that we're doing what we can to support you in that area.

As you were speaking, I was reading your presentation. I appreciate your feedback, and we'll definitely take that back. I appreciate that very much.

My question may be a broader question. Over time, the provincial government and the Ministry of Health have tried to continue to provide additional funding to the LHINs across the province. If you had to make this more tangible for us, for those folks who are watching at home or for those who are reading this transcript after the fact—forget about the LHINs for a moment. How would the funding provided to your network impact people? Can you make that real for us? How would people's lives be impacted by that?

Ms. Simone Thibault: I want to acknowledge that there have been some investments in our sector. I think where the issues have been is that our base budgets have been frozen for five years. There was some investment in compensation.

As we move towards the Patients First Act and how that's going to roll out, and CCACs with the LHINs, it will be important—which is why we're making the point about care coordination. It's investing smart, investing whatever resources we have within the community.

Right now, when we offer services—I gave the example of people in palliative care. We had a couple, and he was in palliative. He has died since I made the presentation. His wife had huge issues with dementia. She broke her hip and was hospitalized. They have nobody else in their lives. Our workers, our nurses, our doctors and our social workers worked with this couple for a long time, trying to address the care coordination and the lack of it, being caught with, "Now I have to send them to emergency, and that's not where they should be. This man wants to die at home, but I'm stuck. I have no other resources."

If we had better care coordination, and if care coordination would be part of our team, it would be much better.

I think when we look at LHIN funding and how that comes out, and with the current transformation that's happening, that's quite significant. How we ensure that interprofessional teams are working together to support people so that they can stay in their home, when that is possible, is where I would see the investment.

Sometimes it's the current resources that just have to be done differently, and sometimes it's more investments in certain areas. But for sure, we need more supports in the home. For many of us who have aging parents, we understand that.

I think in terms of community health centres, where we have interprofessional teams working in local communities, trying to make that community better, with the interprofessional teams we have—I think there's opportunity coming, but we have to get it right, because it's a very challenging time right now. With staff feeling over-stretched already, they badly want those care coordinators as part of our interprofessional teams so that the right person does the right thing. I don't want my doctors, nurses and dieticians doing work that should be done by a practical assistant worker or a home support worker. We all have scopes of practice, and we just need to use whatever resources much more smartly. I'm hopeful, with the transformation, that we can get it right. That would be my pitch.

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Mr. Yvan Baker: Chair, how much time?

The Chair (Mr. Peter Z. Milczyn): Ten seconds.

Mr. Yvan Baker: I'm done. Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. If you have a further written submission you'd like to provide, you have until 5 p.m. on January 20 to submit it.

Ms. Simone Thibault: Okay. Thank you very much. Merci beaucoup.

MR. ROBERT ARMSTRONG

The Chair (Mr. Peter Z. Milczyn): Our next witness is Mr. Robert Armstrong. Good morning, sir. You have up to 10 minutes—

Mr. Robert Armstrong: One second, please, while we get ready. You've had lots of time to get ready, and I need equal time.

The Chair (Mr. Peter Z. Milczyn): Absolutely. Take your time, sir. I just wanted to say that you have up to 10 minutes for your presentation. It will be followed by five minutes of questions from the Progressive Conservative caucus. Whenever you're ready, begin, and please state your name for the official record when you do start.

Mr. Robert Armstrong: I shall do so immediately. I was here once before in March 2013, and in January 2015, but I didn't get very far because I was too discursive. I talked of Obamacare, I talked of the whole world, but I did not focus in on what I consider the real issues. I feel a bit guilty being here today, given the terrible unrest in our world and the killing of innocent people in Syria, but I'm pleased to be with you.

The focus is pretty narrow in a sense, and I'm working from some notes for a meeting of the Standing Committee on Finance and Economic Affairs.

Thank you for coming to Ottawa. It's a bit awkward to travel at this time of year; I understand that, and many of you have families and children at home, so I appreciate your coming.

Now, why am I appearing? There are health issues that have tax implications. There's a complex interplay—and you might have just heard something about that—of public and private players. There is much work that has been done in the past on the public side. It's not a negative.

In my almost 80 years or more, I was diagnosed with Guillain-Barré in 1979. I had cancer of the colon in 1991, with surgery by Peter Capello; problems of the prostate under the care of Dr. Christopher Morash at the Civic; and Allan Rock did my cataract surgery. There's a lot of value and care on the public side. We mustn't see that in a negative way.

My concern is a bit detailed. It's at the level of medical assistance at home. That's where the problem arises. It's medical assistance. What does that mean? It means eye care, supervising medication, bathing and help with dressing. It's provided privately to a large number of people in Ontario, because the public health hours are very restricted.

The issue is really this: It is subject to HST, and I really feel that there should be some relief. In essence, the government is spending a lot of money on one side and it's taxing back on the other. Governments at both levels are, in effect, taxing health care.

What I'm asking you to consider, recommend and ensure the implementation of is to drop the HST on medical assistance at home. It's contradictory. It may be legal, but it's almost immoral. At the level of personal income tax, the people who are with me—some are volunteers, some are paid people. I pay the salaries of a number of different people, yet I'm not able to claim that on personal income tax. It seems to me that all of those expenses should be fully deductible on personal income tax. That's the other issue.

I'm really urging you and your colleagues—for example, Mr. Morneau, the federal Minister of Finance, says that the tax system should be fair. Well, in the instances I described to you, it's not fair; it's grossly unfair. Governments should be taking into account that, in effect, you are taxing health care. It seems to me that that's very contradictory.

I'd invite you, as a committee, to show leadership, which you have, and try to bring this issue forward.

I do concede that when I was here before, I made a very global presentation. I did not get into the specific detail, and I should have.

When you charge HST on a visit of three hours, it comes to \$7.80. On a nine-hour visit during the week, it's \$23. In a month, it's about \$100, and in a year, it's over \$1,000. That would provide a lot of care.

I know you have to get money somewhere, and I understand the tax system to a degree, having worked at

Treasury Board. My background is that I was Assistant Deputy Minister of Labour federally. Mr. Clark had the wisdom of appointing me as the government representative on the ILO, Geneva, for several years. I'm not unaware, I'm not unappreciative of the role you have. I've worked very closely with politicians, since I've been in Ottawa, really, which goes back to 1960. I worked very closely with Mr. Trudeau—that's father. I never called him "Pierre"; I didn't ever feel that was my right to do so. So I respect your role, and you have an important job to do.

These technical issues, almost, maybe don't resonate with your own finance people, but they ought to. It really is unfair that the care that I have is subject to tax, and that the personal income tax side doesn't really acknowledge those expenditures.

That's basically what I have to say. Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much, Mr. Armstrong. This round of questions begins with Ms. MacLeod.

Ms. Lisa MacLeod: Thank you very much, Mr. Armstrong, for coming in today. As somebody who has spent a career in the civil service, taking these matters very seriously, I appreciate you taking the time to join us here today.

I'm also very appreciative that you talked about health care and the impact the HST has had. In 2009, I was actually the revenue critic for the Progressive Conservative caucus, and talked about some of the issues surrounding the lack of revenue neutrality that was going to impact our health care system, but also businesses—and we did hear that from a previous presenter. Although it was not health care, we heard from the Greater Ottawa Home Builders' Association about the impact of the harmonized sales tax.

One of the things that has happened, obviously, as you know: It became a \$4.5-billion tax grab because it didn't lower the sales tax on some items, but it increased the sales tax on many others, which was a departure from many of the other jurisdictions across Canada that did implement an HST, notably in Atlantic Canada and other provinces.

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Having said that, you said they're taxing health care. I agree with you. I put forward a private member's initiative that every member here supported, calling for a compassionate catastrophic-care plan for the province of Ontario, to help people who are forced to either fundraise or pay out of pocket for basic health care in the province of Ontario.

I'm just wondering: During your time in the civil service, and when you worked at the federal department of labour, in some of these cases when you looked at those who would have been injured perhaps in the workplace, and those who had chronic issues, whether that is health-care-related or mental-health-care related, when you discussed those issues, did you look at the impact—something from the top may not necessarily work at the bottom, where we all are when we're dealing with the basic policy needs.

Mr. Robert Armstrong: I'll make as short an answer as I can. For any international labour organization, there's an annual meeting in June. All provinces are represented, and Ontario has always had a very strong presence, as all provinces.

The labour jurisdiction, as you know, is divided both federally and provincially. Federally, it tends to be the things that link the country: radio, television, rail, air and all of those. Now they're wrestling with other aspects of the communication system.

We had had a convention dealing with people with disabilities. Ontario was very well represented. A young woman came up to me—she had a very serious problem. She said to me, "I know why you chose me." I didn't choose her; she was part of the Ontario delegation.

Those conventions often deal with those broad issues. One of them that I chaired—and I chaired three of them—was on health care and people with disabilities. The federal labour department is not necessarily a leader on those issues, but collectively the ILO can be, and the provinces respond. Alberta particularly is extremely sensitive on these matters, as is Quebec, and all of the provinces, given their resources. It's not that we are unaware that there are different avenues—let's put it that way—where these matters may be dealt with.

But I urge you to consider the points that I have raised. I think they're quite legitimate. I perhaps could get along without the change, but it's money that goes back into the community through my caregivers.

We had a big fuss a few years ago about seniors' debt, but we were not buying new Nissans or flat TVs; we were exhausting our Visa accounts because your current income wasn't enough to cover the care, so you went into lines of credit. Mr. Carney never really understood that. I wrote him about that at one point, and he said, "Oh, well, we're dealing with macro issues." I understand what that means. Macro is great, but I guess I'm micro.

In fairness, I think these issues should be looked at. The HST should certainly be dropped at the provincial level, and the feds and you guys together should see that the personal income tax recognizes legitimate expenses. They should be fully deductible, and they're not.

Ms. Lisa MacLeod: I think you've made a great presentation, and I applaud you for taking the time today to speak with us on a very important health care initiative. I think you would find that you would be speaking for hundreds of thousands, if not millions, of Ontarians.

Mr. Robert Armstrong: I don't want to get into the politics of it, but the issues I raise affect thousands of people in Ontario. There can be no doubt about that. I guess I'm in a happy position to have had enough good health to come before you.

I want to thank the committee members, the staff of the committee and all of the people in the hotel, who have been very, very helpful in getting me here. There was great courtesy at Queen's Park in responding to questions about where this would be and whether it would be accessible. Everyone was very patient and very

kind, and I want to acknowledge that. I want to acknowledge the courtesy and pleasantness of the associated staff, and Mr. Clerk might want to note that to the various individuals. And the Marriott people have been tremendous in letting us come and having a ramp and all that stuff. So thank you, and have a great time in Ottawa.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Armstrong. Thank you for a very detailed and focused presentation. It's good advice for all of us to take back.

Mr. Robert Armstrong: More focused than the last time.

The Chair (Mr. Peter Z. Milczyn): If you do want to submit anything in writing to us, you may do so until 5 p.m. on January 20.

Mr. Robert Armstrong: I think you've had enough.

The Chair (Mr. Peter Z. Milczyn): Thank you, sir.

Mr. Robert Armstrong: Thank you.

CANADIAN PRODUCE MARKETING ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our next witness is from the Canadian Produce Marketing Association. We can take a few minutes to get organized. You have up to 10 minutes for your presentation following which there will be five minutes of questions from the New Democratic caucus, and if you could please state your name for the official record as you begin.

Mr. Ron Lemaire: Thank you, Mr. Chair. My name is Ron Lemaire. I'm president of the Canadian Produce Marketing Association.

Honourable members of the Standing Committee on Finance and Economic Affairs, on behalf of the Canadian Produce Marketing Association, I would like to thank you for the opportunity to speak today regarding Ontario's pre-budget consultations for 2017.

The CPMA is a 92-year-old trade association representing Canadian and international members who are responsible for 90% of the fresh fruit and vegetable sales in Canada. Our diverse membership of over 800 members is made up of every segment of the produce industry supply chain, including 225 Ontario companies. From growers, shippers, packers, distributors, foodservice operators to retailers, CPMA members bring fresh fruit and vegetables from farm gate to dinner plate for Ontario families.

CPMA is fortunate to represent a sector that is both a significant economic driver for communities and that also improves the health and productivity of Canadians, including supply chain and induced impacts. It is estimated that the economic footprint of the produce industry in Canada totalled \$11.4 billion in real GDP in 2013.

The produce industry is a unique entity. This important economic engine is made up of rural, provincial, national and multinational companies, all working together to increase consumption of fruit and vegetables.

In 2013, the sector supported 30,000 farm-based, non-family jobs in Ontario, as well as a further 8,700 jobs specific to horticulture and specialty crops.

Over 125 different fruit and vegetable crops are grown in Ontario, with an estimated annual farm gate value of \$1.6 billion.

On behalf of our industry, CPMA recommends that the budget 2017 contains a policy statement that sets a goal for increasing consumption of fruit and vegetables in Ontario by 20%. This is equivalent to a single serving per day over the next five years. Such a policy statement would have no new cost to the taxpayers in the budget 2017, but would allow for current programs under health, agriculture, poverty reduction and innovation mandates to be reinforced or aligned towards meeting this important target. CPMA is partnering in this effort with the Canadian Public Health Association.

In addition to our request to you, it is a call we are also making to your federal, provincial and territorial partners. The government of British Columbia has taken a leadership role on this issue, establishing a target that by 2023, 55% of British Columbians will consume at least five servings of fruits and vegetables per day, from a baseline of 44% in 2012. This has allowed existing programs to be leveraged and repurposed to meet agriculture, health and education goals.

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CPMA and CPHA have consulted widely across government, industry and the health community in the development of this request, including with representatives from the Ontario government.

Increasing fruit and vegetable consumption is a complex and challenging issue. A common message is that a whole-of-government approach is needed, one that will align policy and integrate activities and programs in support of a common objective: improved economic and health outcomes. The approach would renew and reinforce existing programs and funding in support of multiple areas of priority to government.

There are a number of contextual issues that affect the food environment and food security in Canada, including affordability, accessibility, availability and food literacy. To address a complex food environment, a systems approach is required that identifies and enables the conditions required to support healthy food choices and is built on interdependence and interaction between all elements and stakeholders. Characteristics include different strategies for different populations; inter-sectorial collaboration; public-private partnerships; enabling infrastructure; and culturally appropriate programs and education.

The consumption statement is intended to provide a framework for integrating increased fruit and vegetable consumption into existing health promotion activities and other government priorities. It links multiple ministries' mandates and lenses on which the government of Ontario is focused, including the Healthy Kids Strategy; programs to address and prevent chronic disease, such as diabetes, cancer, heart disease and others; the food security strategy, under the mandate of the minister responsible for the Poverty Reduction Strategy; Ontario's innovation agenda; infrastructure; and many aspects of

the agriculture mandate, including supporting the growth of the agri-food sector; ensuring sustainability of agriculture; providing business support to farmers; expanding agriculture in the north; and fostering vibrant rural communities.

Measurable outcomes are critical to deliver success. Their development would be guided by the policy statement and objective, and would be based on the implementation plans and given visibility across all sectors and ministries.

Evidence shows that a balanced diet rich in fruits and vegetables is the cornerstone of good health and is an important line of defence against chronic disease and excess weight. Despite this evidence, Ontarians consume fewer servings of fruit and vegetables than recommended in Canada's Food Guide, and the incidence of chronic disease such as heart disease, cancer and diabetes continues to grow. In 2013, Ontarians consumed an average of 4.3 servings of fruits and vegetables per day, equivalent to the Canadian average of 4.37.

The consequences of low fruit and vegetable consumption for Ontario's health care budget and the economy are significant. According to a study by H. Krueger and Associates, this low consumption is associated with an annual economic burden of \$4.4 billion across Canada. In Ontario, the annual economic burden attributed to low fruit and vegetable intake is \$1.5 billion. If the consumption of fruit and vegetables were to increase by 20%, then we could expect an appropriate reduction in the economic burden of approximately \$308 million per year.

Additionally, the Conference Board of Canada has calculated that an increase of one serving per day, or 20%, would add \$3.16 billion in spending on produce, with multiplier impacts resulting in an increase of \$1.6 billion in GDP and 30,000 jobs. Being the largest centre of the fruit and vegetable sector in Canada, as well as having the highest share of population, Ontario has the most to gain from this impact.

The benefits of increased produce consumption are clear. It will reduce Ontario's risk of chronic disease and excess weight, it will reduce the health care costs associated with these conditions, and it will stimulate growth in the fruit and vegetable sector, including increased activities on Ontario farms and throughout the supply chain.

But to get there, we need concerted action, and a key part of that will be support of research, innovation, infrastructure and education. Food security is a concern for both industry and government. Innovation and research can help improve access and affordability to quality fruit and vegetables for all Ontarians, and especially rural, remote, First Nation and Métis communities. Innovation and research in the produce supply chain can support long-term solutions for food production, distribution, storage and infrastructure for rural, remote and northern communities.

The changing tastes and demands of Canadians are both a challenge and an opportunity for our sector. As

Ontario's population becomes more diverse, consumer demand becomes more complex. Research and innovation support can help the Ontario fruit and veg sector meet complex demands through the development of new varieties or adapting non-traditional crops to be grown in Canada.

Along the same vein, different age groups have different expectations in terms of product offerings and convenience. Our industry has been at the leading edge of providing value-added products to consumers to meet their demand for ready-to-eat products that fit their busy schedules, from bagged salads to pre-cut apple slices to pre-made cauliflower rice. Support for innovation in this area is important not only to ensure the continued development of new, exciting products that make eating a healthy diet easier for Canadian consumers, but also to support research to address the differing food safety concerns of these products.

A challenge the industry faces is environmental sustainability and the need not only to reduce the use of inputs like water and crop protection tools, but to meet emission reduction targets and adapt to our own changing climate. Technology has already allowed us to make substantial progress in these areas. Drones and other innovations are being used to monitor fields and improve irrigation, reduce the use of pesticides and other crop protection tools, but more can be done, and the investment and innovation will be essential to get us there. While this is critical at the grower level, support for environmental sustainability across the rest of the supply chain should not be forgotten.

The foundation of Ontario's fresh produce supply chain is made up of approximately 3,000 small, medium-sized and large farms that produce vegetables, fruits and potatoes. The produce industry is one of narrow margins and little bandwidth to absorb increased costs—

The Chair (Mr. Peter Z. Milczyn): I'll cut you off there. You already have gone a bit over.

Mr. Ron Lemaire: No worries.

The Chair (Mr. Peter Z. Milczyn): This round of questions begins with Ms. Fife.

Ms. Catherine Fife: Thank you very much, Ron, for coming and presenting. You obviously make a very compelling case around the impact that fresh fruit and vegetable consumption can have on our health care system and our economy, very much in line with a previous presentation that focused on the social determinants of health. So there's good alignment.

I'm sorry if we're a little distracted over here. I'm beginning to feel a little crowded with my five PC colleagues on this side of the table. I apologize for any distraction.

But what I do want to focus on—you asked that the government include a policy statement that sets goals of increasing consumption of fruit and vegetables by 20%, equivalent to a single serving. So you're asking for the government to set a benchmark, if you will, that Ontarians have one additional single serving per day. Then you reference some of the challenges around affordability,

accessibility, availability and food literacy, which is helpful, but those 3,000 small, medium-sized and large farms that we hear from have real challenges in the province of Ontario.

What I'm asking for you to do is to connect those challenges that those farmers have—because there's a definite disconnect between policy and the work that farmers want to accomplish in Ontario. Could you please address that, Ron?

Mr. Ron Lemaire: The integrated approach of trying—and that's what the policy statement was trying to achieve in a most simplistic way. We went to a consumption target based on the experience we've seen in other jurisdictions. By establishing that consumption target, it does enable multiple ministries and multiple mandates to be connected, which then transfers back down to the rural communities and to the family farm.

The challenges we see on the farm come through gaps in access to the right infrastructure, access to the right energy costs and challenges they have on the right technology for production. How do we engage and enable an innovation strategy that is effective, that not only supports the large, multinational companies, but also has that trickle-down effect that can enable and support not only the large farms, but also the small to medium-sized farms?

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It can be as simple as the right infrastructure and distribution channels for these farms and the right dealer mechanism to ensure that they can work in a hub model and consolidate their production to be able to sell into the market. A lot of this is happening, a lot of new channels are opening, some of which—as an example, in BC with the ag in the classroom program and the work with the industry and government to enable product to be flowing into channels where children have opportunities to taste new and exciting product that then goes home. So there's a range of opportunity.

Ms. Catherine Fife: I totally agree with everything that you're saying, but on the ground, that's not really happening in Ontario. Take our hospitals, for instance. Where we should be serving the most healthy foods to address illness—those hospitals, because of funding constraints, have outsourced, and you receive a tray full of processed goods, which makes no sense whatsoever. We're supportive of your policy statement. My new critic portfolios are economic development and research and innovation, so your presentation actually has a lot of impact on me, and I will be taking it back to our caucus. But I think we need more than just the high-level policy directive to this government and its application.

For instance, even yesterday in Sudbury, we heard that local crops have to go to a food distribution centre, have to travel all the way down to Toronto before that same produce can be distributed in Sudbury. How does that make any sense from a climate change perspective of reducing greenhouse gas emissions? So I truly do appreciate the fact that you're here and that you've raised a good economic and preventative health perspective on fresh fruits and vegetables.

Non-traditional crops are something that I think there's a lot of room for improvement in, but I would urge you to perhaps follow up this presentation with some tangible examples, because we're at a stage right now where we have to get food security and food distribution right in the province of Ontario. It's a matter of economic security and health security, I think.

Mr. Ron Lemaire: I totally agree. I will say that there's a lot of great programming happening in the province already—and this is where we go back to a non-cost impact within this budget by establishing the simple statement. The goal is, how do we align programs that are in existence and siloed?

There's a lot of activity in the market using small pots of money that only achieve a small amount of success. It is success, but is it scalable? The trick we need to look at is, how do we create scalability, to that point about the Sudbury discussion, and how do we create access to and production of fresh food in those regions that can stay in the community and be sold in the community? We need to look at how we drive and develop an infrastructure that enables opportunity to go even farther than Sudbury—so access to other communities in the north.

The Chair (Mr. Peter Z. Milczyn): Thank you. That's all of our time for today. If you have any further written submissions, you have until 5 p.m. on January 20 to submit them to the Clerk.

Mr. Ron Lemaire: Thank you, Mr. Chair.

CANADIAN FUELS ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our next witness is from the Canadian Fuels Association.

Mr. Han Dong: Point of order.

The Chair (Mr. Peter Z. Milczyn): Mr. Dong on a point of order.

Mr. Han Dong: I strongly recommend you to give a two-minute minor to the opposition for too many men.

Laughter.

Ms. Catherine Fife: There's a woman here.

Mr. Han Dong: Oh, excuse me.

The Chair (Mr. Peter Z. Milczyn): Yes, it's too many persons, but that's their problem if they start running out of oxygen on that side.

Good morning. Thank you for coming in. You will have up to 10 minutes for your presentation, followed by five minutes of questions from the Liberal caucus. I would just caution you: If you do have phones with you, keep them away from the microphones because they do cause some interference.

If you could please state your names for the official record as you begin.

Mr. Peter Boag: Good morning, Mr. Chairman. Thank you very much, committee members, for allowing us to appear today. My name is Peter Boag and I'm president and CEO of the Canadian Fuels Association. With me this morning as well is Lisa Stilborn, vice-president of our Ontario division. Our organization represents the refiners, marketers and distributors of

petroleum products. Our members include Husky Energy, Imperial Oil, Irving Oil, Parkland Fuel, Federated Co-operatives, Shell Canada and Suncor Energy.

Ontario is home to five of Canada's 15 refineries. That's a little over a quarter of Canada's overall refining capacity. It is an important economic and jobs pillar of the province, particularly for southwestern Ontario. Our members produce gasoline, diesel and aviation fuel. Our refineries also produce asphalt, heating fuels and feedstocks for chemicals and lubricant manufacturing facilities. Simply put, we consider that our industry actually fuels the economy.

Petroleum fuels power 95% of Canada's transportation needs today. That's keeping people and goods moving across every sector of our economy, both into and out of Canada. Our fuels underpin Ontario's economy and Ontarians' quality of life. While the fuel mix is changing—it is becoming more diverse over time—independent forecasters, including the National Energy Board, have confirmed that petroleum fuels will continue to play a vital role for decades to come. But it's an industry that does face competitiveness challenges.

Advances in transportation infrastructure mean the market for gasoline and diesel products is now global. Ontario refineries compete with refineries in the United States, Europe and, today, even in Asia. At the same time, demand for petroleum products in North America and, for that matter, throughout the developed world—the OECD nations—is flat-to-declining. Mature transportation systems, increased fuel efficiency and fuel market diversification all contribute to that.

We're also facing additional sources of supply that we compete with. As we indicated, the US, in particular, is now a major exporter of fuels to Canada and fuels to Ontario, largely due to the competition from very large, highly competitive refineries on the US gulf coast. These US refineries, beyond the economies-of-scale advantages they enjoy, also enjoy a number of other competitive advantages. This includes substantially lower electricity costs, which is a significant energy input to refineries. Like other manufacturers, we are concerned that this gap could further widen, particularly now with the new, incoming Trump administration in the US, which has again reaffirmed its support for the coal industry and coal-fired electricity.

The regulatory regime has a big impact on competitiveness as well. Our sector is unique in that both our fuels and our facilities are highly regulated. The cumulative impacts of these measures carry significant compliance costs. Ontario refiners are currently dealing with a dozen different federal and provincial legislative and regulatory initiatives, most of which relate to the environment. Provincial requirements alone include greener diesel regulations, new benzene air emission regulations, expected reductions in sulphur dioxide emission limits at refineries and, of course, starting next month, Ontario's new cap-and-trade system.

In 2012, an independent study by consulting firm Baker and O'Brien found that eastern Canadian refiner-

ies—that includes refineries in Ontario—are increasingly vulnerable to international competition and possible closure, and reinforced the need for regulations to be prioritized, phased, staged and paced to provide adequate time to manage transitions and make required capital investments. Since then, a refinery in Dartmouth, Nova Scotia, closed, the third to close in Canada in the past decade. We're in the process of having the study updated to provide an additional perspective on the competitiveness challenges posed by regulatory initiatives and would be able to share that with committee members, hopefully, in early 2017.

The upshot of all that, really, is that policy alignment with competitor jurisdictions is critical to maintaining business competitiveness. If a business faces cumulative regulatory compliance costs that are higher than those faced by competitors, it can have a problem competing and staying in business.

Climate policy is a very good case in point. I want to first say that we were among the first industries to come out in favour of Ontario's cap-and-trade initiative. We also support the federal government's initiative to create a pan-Canadian carbon pricing framework. We believe that a properly designed, economy-wide carbon pricing mechanism is the best policy choice to cost-effectively drive real GHG emission reductions. However, if competitiveness implications aren't a top priority when governments design and implement carbon-pricing mechanisms, we could end up closing Canadian businesses, eliminating Canadian jobs and importing goods from places that don't put a price on carbon.

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All Canadians are harmed if we lose the economic impact and jobs close or move elsewhere. In Ontario, a cap-and-trade system, realistic cap levels and adequate free allowances are critical to avoiding this carbon leakage in energy-intensive, trade-exposed sectors, like refining. Today, this is now more important than ever, given the recent US election outcome and the seemingly diminished prospects of US-Canada climate policy alignment. We urge Ontario to factor this into its planning for the post-2020 compliance period and, ideally, maintain emission caps and allowances at the 2017-19 level.

There are also opportunities for better alignment on fuel policies. There are currently six—five provincial and one federal—different renewable fuel mandates in the country. Actually, it's 12 when you consider separate gasoline and diesel requirements. Two are in Ontario, and the climate change action plan released this spring committed Ontario to a new gasoline and renewable fuel standard.

This market fragmentation across the country is inefficient. It's costly, and it undermines fuel's security of supply by impeding the timely movement of fuel from one province to another, because fuel faces different requirements on one side of a provincial border compared to the other.

Now, in the meantime, the federal government recently announced its intention to collaborate with

provinces and the territories on a new national clean fuel standard. Harmonizing disparate federal and provincial standards into one national clean fuel standard would deliver uniform, efficient, cost-effective environmental performance in Canada. We would support that kind of harmonization across the country. Climate change, after all, is not a localized challenge; it's a global one. Let's not compound the existing inefficient and costly fragmentation by adding yet another Ontario standard, particularly now that the federal government has announced its intention to consult on a new national clean fuel standard.

We recommend that the Ontario government, for the moment, put aside its proposed 5% renewable fuel standard for gasoline and support the federal government's initiative to develop a single national clean fuel standard that replaces the existing inefficient and costly patchwork of provincial and federal mandates.

We also offer some additional recommendations, particularly with respect to the cap-and-trade system. Cap-and-trade proceeds are finite, and should be invested in the lowest-cost GHG-emission-reduction opportunities. To this end, energy conservation programs are among the most cost-effective measures. The Ontario action plan features several initiatives to promote energy savings in the building sector, and we recommend that this be expanded to the transportation and transportation fuel sector.

Efficiency is a huge opportunity for us to reduce our emissions footprint, particularly in transportation, so we're doing a number of things ourselves to show leadership in that area. In freight transport, which is the fastest-growing part of transportation emissions, our members are proactively looking to how they reduce their own freight emission signatures and how they can promote that by being leaders, particularly through the SmartWay program, which is a federal initiative that's directly aimed at reducing freight emissions.

Earlier this year, we partnered with the Ontario Ministries of Energy and Transportation and Scout Environmental on what's called a Smart Drive Challenge. That was a consumer engagement program to promote better driving habits that reduce fuel consumption. "Drive less, drive better" are the key words of that initiative. It reduces fuel consumption and it reduces emissions.

Finally, technological innovation is delivering rapid improvements in the efficiency of internal-combustion-engine-powered cars and trucks, and will continue to do so for the foreseeable future. Optimizing the efficiency of conventional internal combustion engine vehicles remains the lowest-cost pathway, by far, to reduce GHG emissions. We're working very closely with the auto sector on how the fuel formulations need to evolve as they deal with the technology innovations that they're required to do under regulation, but going beyond that in the years past 2025.

In summary, our sector is an integral component of Ontario's economy. It contributes in a substantive way to Ontarians' quality of life. But, at the same time, we're

facing increasing competitive pressures and encourage your government to seek opportunities for policy alignment with other jurisdictions that contributes to, rather than detracts from, the competitiveness of this important industry. We believe that maintaining a strong refining sector is the best guarantee of a secure, uninterrupted supply of high-quality, competitively priced fuels for Ontario businesses and consumers.

Thank you very much for the opportunity to present today, and I look forward to your questions.

The Chair (Mr. Peter Z. Milczyn): Thank you, sir. This round of questions begins with Mr. Rinaldi.

Mr. Lou Rinaldi: Thank you so much for being here today. Obviously it's one of our biggest industries that we have in this country, as you alluded to in your presentation, and it's something that governments of all stripes at all levels certainly need to pay attention to. It has been around for a long time, and provides all the benefits that you alluded to in your presentation. It was well put forward.

As we face the challenge to save our planet, I just want to say congratulations to you folks for trying to be ahead of the curve. I do have a son who is an engineer in the automotive sector, at one of the major three. Although sometimes he complains about how much of a pain governments are to them and the challenges they face, on the other hand they also understand that we all live on the same planet.

I think your statement of co-operation with the auto sector is crucial. I'm not sure there's any other way around it if we want to end up somewhere, and government, I think, needs to be a partner in that, to make sure that we land in the best possible place. I'm not sure there's a magic wand that will get us to a perfect place, but I think our goal is to aim towards that, and we certainly appreciate your efforts and your commitment.

I guess my question is—or maybe if you can add a comment, not so much a question—as we move forward with a linked carbon market system, to allow for greater flexibility for industries that cannot make a quick low-carbon transition, can you speak a little bit about the benefits of having an environmental action plan that is comprehensive in nature, and how that would help you folks out?

Mr. Peter Boag: Certainly, and I think you've hit on a very important point that addressing the challenge of climate change is not simple. There is no single fix to the problem, to the challenge. That's why we would see the need for a comprehensive approach, and certainly we would see the underpinning of that comprehensive approach to be an effective carbon pricing system.

That's why we're very pleased to see the approach of the current federal government to develop a more pan-Canadian approach to carbon pricing. Fragmentation of what is already by global standards a small market and a small economy is not helpful. It leads to higher costs than necessary. Certainly, from our perspective, the goal for all governments should be to drive to the lowest cost on a per-tonne basis for abatement costs in their policy

architecture for climate policy. The way to do that is in a comprehensive way, and not to do it in silos or in a fragmented way.

Mr. Lou Rinaldi: Because at the end of the day, we're all going to end up paying for whatever the outcomes are.

Mr. Peter Boag: And I think the other key element of that is a recognition that while there always will be local dynamics in various communities, and local political dynamics, this is a global problem. It's not that we're trying to deal with the carbon emissions in one jurisdiction over another jurisdiction; it's a global problem, so that calls for a much more coordinated and comprehensive approach for it to be successful, in particular for it to impose the lowest possible costs on our society.

Mr. Lou Rinaldi: I just want to end by saying thank you so much. I know that your organization has had the opportunity to meet with the minister to discuss specific issues and how they impact your industry, and you can rest assured that that dialogue will continue. Obviously the input that you brought to the table today—I think from all sides—is very, very much appreciated as we move forward.

Again, thank you for being here today.

Mr. Peter Boag: Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. If there's anything you would like to submit in addition to your submission today, you have until 5 p.m. on January 20th.

OTTAWA HEALTH COALITION

The Chair (Mr. Peter Z. Milczyn): Our next witnesses this morning are from the Ottawa Health Coalition. Good morning. You have up to 10 minutes for your presentation, and then your round of questions will be with the Progressive Conservative caucus. If each of you could please state your name for the official record as you begin.

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Mr. Stuart Ryan: Thank you to the standing committee for allowing us this opportunity to present on the 2017 budget. My name is Stuart Ryan. I'm co-chair of the coalition. I'm here with Al Dupuis, also a co-chair and a health care worker at the General Campus of the Ottawa Hospital.

Next to him is Mary Catherine McCarthy, the chair of our communications and outreach committee and a former health care worker at the Civic Campus, and Nancy Parker, our administrative officer and a retired researcher with the Canadian Union of Public Employees.

I'm a retired employee of a CUPE local at Carleton University who wants to ensure that our health care system will be accessible to us and all the people of Ontario when we need it.

The Ottawa Health Coalition is a local volunteer-based organization of individuals and organizations who advocate for the preservation and enhancement of our

public and accessible health care system in Canada. We support the principles embodied in the Canada Health Act. We include in our membership health care advocates, health care workers, retirees, students, and faith and community groups.

As an affiliate of the Ontario Health Coalition, we participated in the 2016 province-wide referendum in May, asking people if they believed we should stop the cuts to our community hospitals and restore services and staff to meet our community needs. In Ottawa alone, over 9,000 people participated in the referendum, and 8,942 agreed, sending a clear message to the Ontario government.

Our coalition also presented to this committee last January, to highlight the impact of health care cuts in Ottawa.

We held a town hall in the 2015 federal election, where we invited all of the political parties running in Ottawa to present their positions on promoting our universal, publicly funded health care system.

We also participated in the 2016 Canadian Health Coalition lobby of federal MPs for increased federal funding of public medicare.

Our presentation has outlined our specific concerns in the Ottawa area. Nancy will outline her family's personal experience with the health care system. Mary Catherine will describe how our coalition sees how the new Civic Campus should serve the people of Ottawa and eastern Ontario. Al will summarize the principles of a public, democratic, people-centred health care system which will need the financial and political support of the Ontario government.

Nancy?

Ms. Nancy Parker: Hello. My name is Nancy Parker. Thank you once again for giving us the opportunity to meet with you.

This is my second pre-budget meeting. Last year, I was overcome with emotion as I attempted to share my story about my husband's first-hand experiences with long wait times.

On one of his many trips to emergency, following complications from a heart attack, he waited from midday on a Tuesday until 4 p.m. on a Thursday for the first available bed. Staff advised that there were at least five patients ahead of him, waiting for a bed. The staff said this was a common occurrence. Wait times in our area hospitals continue to be a problem.

Sadly, I'm returning this year with another personal story to share with you. My sister-in-law was in need of a stronger defibrillator. She had her appointment set and headed to the hospital. She was prepped at the hospital with the IVs and ready for her procedure. There was an earlier patient who took longer than expected, due to complications. My sister-in-law was sent home without her procedure that day, but was told they would get her in as soon as possible because she needed to have the procedure done as soon as possible.

Her appointment was rescheduled for two weeks later. On the morning of her rescheduled appointment, she was

found dead in her bed by her daughter and her 87-year-old mother. My sister-in-law was only 55 years old. Did the delay play a part in her death? It's not a question that anyone should be faced with.

Long wait times, rescheduled surgeries and early discharges—the list goes on—all evidence that our health care system is being underfunded, and it's having a devastating impact on people's lives. Please do what you can to improve the funding to our health care system so I can return next year with a happier story to share.

Thank you again for your time.

Ms. Mary Catherine McCarthy: Hi, I'm Mary Catherine McCarthy. This year, we have some major concerns about the proposed new Ottawa Hospital Civic Campus. We're not here to discuss parking or location, which are the two major issues that are being reported on. We're very concerned about the capacity of the new hospital and further privatization of health care in our community.

Will the new hospital have improved capacity to provide the full range of medically necessary diagnostic, surgical and therapeutic services to meet the health care needs in Ottawa? We're concerned about the privatization of elective surgeries, including knee and eye surgeries as well as diagnostic procedures like endoscopies, to name a few. Moving these to private clinics will result in reduced access, user fees, increased costs and poorer care. We're asking that the provincial government—which is contributing 80% to the construction of the new hospital—require that the hospital not be constructed with a view to contracting-out services to private, for-profit clinics.

In Ottawa, Pinnacle, a multinational corporation, is building two private, for-profit clinics in Kanata and in Ottawa South, with a view to opening in 2017. They are planning to perform surgeries, among other health care services. Research has shown that the biggest source of waste in Canadian health care is the private, for-profit sector.

The provincial government has the opportunity to take leadership and provide funding to improve wait times, access and quality by ensuring that surgical and other medically necessary services are provided for in our 21st-century hospital.

Secondly, the development model for the new site is likely to be a public-private partnership, a discredited model that will likely cost more and deliver less. There are several examples. In Ottawa, there's the example of the Royal Ottawa that had cost overruns and ended up with fewer beds, but there are also many examples in Ontario, BC, Quebec and, of course, the UK. They have shown that government should no longer be pushing this model.

Bonnie Lysyk, the Ontario Auditor General, noted that the government, in pushing the P3 model, has not adequately assessed the all-in costs of P3s, and that the traditional method of public procurement will cost less with public financing and operation. We request that this committee recommend that the province act on the

auditor's recommendations and take leadership to ensure that the procurement for public hospitals be fully transparent and open to public scrutiny and accountability.

Public solutions, like improving access to high-quality, public, long-term care, home care and community health centre primary care, can take some of the pressure off community hospitals and still safeguard our public health care system for all of us.

Thanks for your attention.

Mr. Albert Dupuis: Good morning, and thanks for having us again. My name is Al Dupuis. I'm a co-chair of the Ottawa Health Coalition. I only have about a minute left in our presentation time, so I'll just touch on a couple of points.

The first one is that, as of yesterday, the occupancy rate at the Ottawa Hospital was 107%. The Auditor General, as you all know in this committee, has made reference to what that means in terms of outcomes and all kinds of problems when we have that kind of capacity stretch in any of our hospitals in Ontario.

I would also like to mention that over the last four years there has been about \$100 million cut from the Ottawa Hospital budget. There's been a bit of a reprieve in the last year, but not nearly enough to cover the amount of loss of staffing and patient care that's resulted: about 500 support staff eliminations—in excess of that, actually—since 2011, and hundreds of nurses and other allied support staff at the hospital.

1110

The referendum essentially focused on the gap between the funding levels in Ontario compared to the rest of Canada. When confronted with that information, most people in Ontario—in Ontario, there were almost 100,000 people who responded to that referendum, about 9,000 in Ottawa. Well over 95%—I think it was about 99%, actually—voted in favour of putting an end to the cuts.

The result of that difference in funding means that even for Ottawa, there's about a \$300-million gap compared to the per capita funding in other jurisdictions, and that has serious impacts, as I've highlighted here, on the number of nurses and other staff that would be present in Ottawa area hospitals if that funding was at the same level per capita as the rest of the country.

That change in the per capita level funding has significantly changed since around 2005, as I also outlined here. The thing is, as you know, the Ontario government also—and it brags about this from time to time—is at about the bottom for North America in terms of its per capita revenue intake as a proportion of GDP. There are many billions of dollars that could be collected by the Ontario government to fund our public services and still not put Ontario at a competitive disadvantage vis-à-vis other jurisdictions—

The Chair (Mr. Peter Z. Milczyn): I'll stop you there. I gave you a little bit of extra time.

This round of questions is with the Progressive Conservative caucus. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much for joining us this morning. To Ms. Parker, first of all, I offer

my sympathy on the death of your sister-in-law. That had to be a traumatic experience for all of you, your family and all who would be closely connected to her. That's tremendously unfortunate. I'm sorry to hear that.

Ms. Nancy Parker: Thank you.

Mr. John Yakabuski: The cuts to hospital funding: We hear about them all the time. We don't hear about them from the government, but we do hear about them from hospitals—at least, the hospitals that are willing to talk, because there is a certain amount of fear out there that saying too much is going to raise the ire of the powers that be, as they say. So it is appreciated that you bring this kind of presentation to us.

It was interesting to note on one of your surveys—I say this to all of you, Mr. Ryan as well. How often would you get a survey where 9,000 people participate and 8,942 agree with the general premise of your question—which I think would lead us all to accept that the general public out there has serious concerns about our health care system.

There are ebbs and flows on issues, depending upon the circumstances of the day, but health care is always sitting at the top. If it loses the top slot for a day, it's just because something else is making the news. As our population ages and the demographics change, it is even more of a concern.

I am aware of that in a small town where I come from, in Barry's Bay. My wife is a real estate agent. If somebody wants to move to the area, the first question they ask is, "What is the availability of health care in your community?" So I recognize the commitment and the message that you're bringing forward, and I hope that the government members who are here—and I'm sure they're listening—are going to take that back, because we have concerns.

The Auditor General has expressed her concerns specifically with the increase in wait times for many procedures here in Ontario. When the goal is always to see wait times decrease, we're seeing the opposite happen.

It's very difficult to be specific in a 10-minute presentation, and we understand that, but I would encourage you to continue driving this message to the government. They need to hear from all parties—I don't mean that politically; I mean all parties out there who are striving to build a better health care system for all of us, particularly as I'm going to be in that age group very shortly, too, so I'm getting a little nervous myself. And it is something that I think we all—but it's not just the age of people; it's everybody. But that is one demographic that is changing and is going to change rapidly over the next several years.

I appreciate the presentation that you made today, and I encourage you to continue driving that message.

Mr. Stuart Ryan: We intend to keep going. Don't worry.

Mr. John Yakabuski: Thank you very much. I appreciate you coming today.

Interjection.

Mr. John Yakabuski: Go ahead. If you have something to add, use my time. I have no specific questions, because it's very hard to—

Ms. Nancy Parker: I just wanted to make the point that you're commenting on the response to the referendum that we did. That was something that we did with limited capacity in a very short period of time. I'm sure that if we would have had more time to prepare for that we would have had a much greater outcome.

Mr. John Yakabuski: Well, your outcome is great, because the percentage—maybe you could have got to more people—

Ms. Nancy Parker: That's what I meant to say, yes.

Mr. John Yakabuski: Yes, you could have had a broader survey; I understand that. But on a percentage basis, that's astronomical. So congratulations to you for doing that, and I think we can extrapolate that to any number of people we choose to.

Mr. Jim McDonell: I just have a quick question. In our riding, in Cornwall, we see people whose hip surgeries are being cancelled into the new fiscal year, in April. Are you seeing that in other areas like Ottawa? That's a huge waste of operating room time—when operating rooms are there but not being used.

Mr. Albert Dupuis: I'm really not sure what the status is in particular with regard to our hospitals. For our hospital here in Ottawa and a specific procedure like that, I don't have the numbers. I can't really share that with you.

Ms. Mary Catherine McCarthy: I know some of the research about hospitals shows that surgical rooms are not used to their maximum capacity, and that probably relates to staffing, to be able to perform the surgeries. Hearing about people's experiences—there are long wait times, but I don't think the surgeries in Ottawa or hospitals around Ontario are at maximum capacity.

Mr. Jim McDonell: In this case, it's a matter of funding. We have doctors working in Massena because they can't get operating room time. The operating rooms are there; they're just not being used. So we need you to carry that message across. It is an area of funding; not doctors.

Ms. Mary Catherine McCarthy: Yes, or facilities sometimes.

The Chair (Mr. Peter Z. Milczyn): Thank you. That's all of our time we have today. In addition to what you've provided today, if there's anything further you'd like to submit, you may do so until 5 p.m. on January 20, to the Clerk.

Our next scheduled witness is not supposed to arrive until 11:45, so we stand recessed for at least 20 minutes.

The committee recessed from 1118 to 1140.

CANADIAN CANCER SOCIETY,
ONTARIO DIVISION

The Chair (Mr. Peter Z. Milczyn): Good morning. The Standing Committee on Finance and Economic Affairs is reconvened.

Our next witness is the Canadian Cancer Society, Ontario division. Good morning, gentlemen. You have up to 10 minutes for your presentation, which will be followed by five minutes of questions by the New Democratic caucus. If you could please state your names for the official record as you begin.

Mr. Gabriel Miller: Thank you, Mr. Chair. Thank you, committee members. My name is Gabriel Miller. I'm the vice-president for policy for the Canadian Cancer Society. My colleague—

Mr. Rob Cunningham: Rob Cunningham, senior policy analyst with the Canadian Cancer Society.

Mr. Gabriel Miller: It's a real pleasure to be with you here today. Rob and I spend most of our time lobbying folks a few blocks from here, but we were asked by our provincial colleagues to present on their behalf because you're in Ottawa. It's great to get a chance to spend some time with you and, I assure you, if there are any questions we can't answer, we'll be following up with them to get answers for you.

With an estimated two in five Canadians developing cancer in their lifetime, cancer remains our most pressing public health issue. At the Canadian Cancer Society, we believe that healthy public policy for both the treatment and prevention of cancer is imperative. In this spirit, we would like to present our priority recommendations in both treatment and prevention: enhancing access to take-home cancer drugs, and tobacco control. The Canadian Cancer Society recommends that the government of Ontario take two steps: first, develop a provincial program that provides public coverage for all eligible take-home cancer drugs and, second, increase provincial tobacco taxes by at least \$10 per carton.

For patients and their families, coping with a cancer diagnosis is difficult enough; they should not have to face the stress of how to fund their drugs. As new cancer drugs continue to be developed, an increasing number are being taken at home. It is estimated that more than half of new cancer drugs will be administered at home. However, this means that the financial burden is shifted to patients and their families. Prescribed take-home cancer drugs are sometimes covered by group or private insurance, usually with a copayment, paid out of pocket by individuals or covered through public drug programs. Unfortunately, Ontario lags behind the four western provinces, all of which have programs that provide coverage for all eligible cancer drugs, whether taken at home or in a hospital setting. It is time for us to act.

For some comments on our prevention priority, I'll turn to Rob, who is our senior adviser for tobacco control.

Mr. Rob Cunningham: Thank you, Gabe. Thanks for the opportunity to testify today. First, I'd like to begin by acknowledging the \$3-per-carton increase in tobacco tax in the 2016 budget as well as the additional contraband prevention measures that have been brought forward by the government and supported by all parties.

Tobacco is our leading preventable cause of disease and death in Ontario and in Canada: 37,000 Canadians

die each year; kids beginning every month. We have a lot of work that remains to be done.

Tobacco taxes are important because of their impact on reducing smoking. Overall, a 10% increase in the real price of tobacco after inflation leads to a 4% decrease in consumption, and even more among youth because youth have less income, are more price-sensitive and are less likely to be yet addicted.

To refer to this handout that you have from us, the first page is a tobacco tax graph comparing provinces and territories. We see that Ontario and Quebec have the lowest tobacco taxes. The West and the Atlantic have been able to sustain far higher tobacco tax rates, and in the West in particular there is very little contraband compared to Ontario and Quebec. So there's an opportunity for revenue. There's an opportunity for further measures to reduce contraband and to reduce smoking.

Just to note, for Ontario, the little green bit at the top of that is an inflationary increase of about 60 cents to come into force June 1. So there's a type of indexing that's been applied in Ontario.

The Ontario Convenience Stores Association has already appeared before this committee. They've had some studies. We think their studies are exaggerated in terms of the level of contraband. Clearly, contraband is a problem. They're funded by the tobacco industry and have their motivation to overstate the levels of contraband. You can ask Imperial Tobacco later today when they appear how much they give to the convenience stores association and other similar organizations.

We're certainly concerned by the poor record of convenience stores in selling to minors. A 2014 Health Canada study for Ontario found that, for 17-year-olds, 17% of stores sold illegally to minors; and in a 2015 study, for e-cigarettes, 36% sold to minors.

So what can we do to reduce contraband? You'll see in the documentation that we have a couple of recommendations in terms of intercepting raw materials being supplied to the illegal factories on reserves. The key is to focus on and be aware of the source of contraband. It's primarily unlicensed factories on a few reserves: Six Nations near Brantford, Tyendinaga near Belleville, Kahnawake near Montreal and the US side of Akwesasne.

If we can block the raw leaf tobacco, the cigarette paper and the cigarette filter material, that can help to deal with it. Allowing local enforcement authorities and police to keep fines generated from prosecutions helps to recover their costs. That has been used successfully in Quebec.

But our main recommendation is to focus and implement in Ontario a refund system. Right now, when cigarettes are shipped to a reserve for tax-exempt sale, there is no Ontario tobacco tax included. That means they're really cheap for non-natives to go on the reserve to purchase them or for those products to be disseminated off-reserve. If you included an amount equal to Ontario tobacco tax from the manufacturer-wholesaler point, before they get to the reserve, they're suddenly full price. There is no incentive to go on-reserve. We've seen six

other provinces do that with success: Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick and PEI. It's not going to deal with all contraband, but it's going to deal with a significant chunk of current contraband.

I was in Mr. Fedeli's riding two weeks ago. I purchased this pack on-reserve. The tax stamp, which is peach in colour, indicates federal tobacco taxes paid, but it's not yellow, which would indicate that Ontario tobacco tax has been paid. This shouldn't be happening. This shouldn't be available at such a cheap price. This is a remedy that is feasible for Ontario to implement, and it has been a recommendation that we have that would be of benefit. It's an opportunity to further advance public revenue and public health objectives with respect to tobacco taxes and contraband prevention.

We look forward to your questions.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. This round of questions starts with Ms. Fife.

Ms. Catherine Fife: Thank you very much for coming in and connecting the contraband tobacco issue and ongoing health issues in Ontario. I'm really curious to hear from you the recommendations, for the example that you just gave, around having a provincial tax prior to a non-native purchasing a tobacco product on-reserve. What have your conversations been like with the government on this? They did introduce some minor improvements to contraband and raw leaf tobacco in the 2015-16 budget. How far have these discussions gone?

Mr. Rob Cunningham: Certainly the government has received the recommendation. There's a recent report in terms of a review of the allocation system. This was identified as a possible remedy; that was done independent of government. The government has not indicated that they intend to move forward on it, but it is something that I think they would be in a position to consider, and it would certainly support our recommendation for, in Ontario, a \$10-per-carton tobacco tax increase, which would still mean that we're much lower than Manitoba or New Brunswick. They've been able to have those tobacco tax increases maintained in their provinces.

Ms. Catherine Fife: But your point is, of course, that \$10 increase on a carton of cigarettes would be an effective deterrent, particularly for youth, but only if the contraband piece is dealt with and managed in a responsible way.

Mr. Rob Cunningham: I think the implication of both aspects of those recommendations, the tobacco tax increase of \$10 combined with contraband prevention measures, would be the best approach.

Ms. Catherine Fife: Okay. To go back to the take-home cancer drugs and having public coverage: Pharmacists, of course, have been lobbying MPPs on this. Local community health care has, as well. Having coverage for cancer drugs at home makes compassionate sense and economic sense. What do you see as the barriers on that issue?

Mr. Gabriel Miller: First of all, I just want to echo exactly what you said: I think most Canadians would expect that if you were to get a diagnosis that serious, the

system would be there to make sure that your drugs were provided, not just if you happen to be standing in a publicly owned hospital, but if you're standing in your own home or lying in your own home. It makes big economic sense, because this is all part of serving more of our citizens outside of the very costly setting of hospital care. But we're not going to be able to move to a more community- or home-based health care system if the most essential medical treatments can't follow people there and be covered.

I think the obstacle is cost, and the perception that this is an additional burden on the health system. That's just my perception. I think that where this conversation needs to go is to help our government understand that we can't make the transition to a more home- or community-based system in bits and pieces. We have to see it as a whole. If we want to collect the savings from moving away from hospitals and into communities, we have to build the infrastructure to do it.

There are obviously some immediate costs associated with expanding coverage, but it should help us generate savings through a more affordable system overall.

Ms. Catherine Fife: We definitely agree with you. I don't know if you've noticed, but there are more and more commercials with insurance providers encouraging Ontarians to get additional coverage for exactly this sort of service. There's a market out there for the insurance companies to access Ontarians who don't have coverage. But I think the onus is really—if this government is still committed to universal health care coverage, which I have serious doubts about, personally, as do New Democrats across this province, but if they are, there's a good economic case for delivering chemotherapy drugs at home and having coverage for those.

The other piece that I wanted to touch on is the prevention piece, around preventing smoking. We have seen an influx and an increase in youth in particular using e-cigarettes and other options. Can you comment on this trend? Our health critic, France Gélinas, fought against opening the door to these sort-of-healthier options, if you will, when there's no regulatory system in place right now. But this is an important piece I think of that conversation.

Mr. Rob Cunningham: The Ontario Legislature adopted legislation on e-cigarettes, and most of that is not yet proclaimed. The sales-to-minors part is, but not the other provisions. We certainly hope that that would be able to come into force soon.

We recognize that there are potential benefits and potential risks for e-cigarettes. We certainly don't want youth using these. The Ontario legislation would help with that respect.

Ms. Catherine Fife: Okay. I mean, businesses saw this as a new opportunity, right? Three vaping stores opened up in downtown Waterloo within the course of three months. It's the oversight piece that actually has to be in place, right?

It's the same thing with anything. You can have some progressive legislation on raw-leaf tobacco, but if you're

not monitoring, if the oversight is not there, then it's just good words on a piece of paper, as far as I'm concerned.

Mr. Rob Cunningham: Well, yes. The Ontario legislation needs to be proclaimed. There has been quite a period of time of waiting for that.

Ms. Catherine Fife: Okay, so that needs to happen.

The Chair (Mr. Peter Z. Milczyn): Final question? Is that it?

Ms. Catherine Fife: That's actually it. We need to proclaim that legislation. I hope that the Liberal side of the House heard that.

The Chair (Mr. Peter Z. Milczyn): Thank you, gentlemen, for coming in today. If you have any further written submissions, you may submit them to the Clerk by 5 p.m. on January 20.

Mr. Rob Cunningham: Thank you.

Mr. Gabriel Miller: Thank you.

The Chair (Mr. Peter Z. Milczyn): The committee is recessed until 1 p.m.

The committee recessed from 1154 to 1300.

The Chair (Mr. Peter Z. Milczyn): Good afternoon. Committee is back in session for this round of pre-budget consultations.

DR. EOGHAN O'SHEA

The Chair (Mr. Peter Z. Milczyn): Our first witness this afternoon is Dr. Ian O'Shea. Good afternoon, sir.

Dr. Eoghan O'Shea: Eoghan.

The Chair (Mr. Peter Z. Milczyn): Eoghan. My apologies.

Dr. Eoghan O'Shea: It's an Irish name. It's like Owen Sound.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, followed by five minutes of questions. In this round, it will be the Liberal caucus. If you could please state your name for the official record as you begin.

Dr. Eoghan O'Shea: Hi. My name is Dr. Eoghan O'Shea and I'm a family physician working in the Ottawa area for the last 23 years. I work in an academic family setting. I'm also chair of the local branch of the OMA, chair of OMA district 8. I have various teaching roles, including director of clerkship at the University of Ottawa, family medicine. So I have various roles. I get to see the big picture.

I think it's very important that the committee be aware that family physicians are not a happy bunch at this time. I haven't had time to totally digest this morning's statement from the minister, but it's not going to get any Brownie points because the deal that was rejected just a little while back is more or less being recycled again, and it fails to address the needs of our constituents.

The government's contract expired almost three years ago, and physicians experienced roughly a 7% cut to their payments. I think it's important to realize that a lot of physicians are small business people, and they've got to lease buildings; they've got to deal with nurses and secretaries.

We had a town hall meeting involving our OMA president, Dr. Walley, who talked to your group just a week ago. One of the doctors there was an allergist and he said, "My lease goes up; I have to pay more rent and I have to pay my staff. So even if people don't want to pay me personally, I've still got to attract my staff and have three good nurses and reception and all these things." As a result of this, if he loses his staff, he's going to be less able to help people needing consultations.

What's unique about Ontario? The population grows by approximately 140,000 a year and we have 100,000 new seniors every year. As I look around the room here, there are a lot of people with grey hair who will have need—

Interjections.

Dr. Eoghan O'Shea:—who will have need of good primary care physicians and supporting physician specialists to back up their services. In other words, once you're over a certain age, like it or not, your knees fall apart, your back falls apart, you develop blood pressure. Some 80% of Ontarians over the age of 45 have a chronic condition; of these, approximately 70% suffer from two or more chronic conditions.

The government of Ontario has a great deal with physicians. We can't go on strike; we can never go on strike. One of the reasons is that the College of Physicians and Surgeons of Ontario limits the kinds of actions we can take. But that should not be used by the government as an excuse to treat us poorly. I think we need better treatment and respect than that.

The physician services agreement was presented and rejected by Ontario medical doctors. They felt that this was an insult, and the most recent statement that has come out is totally—I don't know the working background of everybody around the table here, but some of you must have been involved in businesses where you had to hire and fire staff, lease offices, pay staff. You can't impose a unilateral 7% pay cut on people and expect them to be able to do their job well. The figures of the government have shown that there is a need for a 3.6% increase in funding, and that's just not happening.

We don't know why this is happening. We'd like to see some form of real-world binding arbitration. Currently, if the firefighters or the teachers or any other group that is respected in society has an issue, they can't go on strike; everybody expects that. But there is a process in place for binding arbitration. The current proposal brought out by the minister to-date fails to address this issue or need for our group.

I'm willing to take any questions at this stage now.

The Chair (Mr. Peter Z. Milczyn): Thank you, Dr. O'Shea. Questions begin with Mr. Dong.

Mr. Han Dong: Good afternoon, Mr. O'Shea. It's a very important issue you've brought up to the committee today. Although I don't think we have anyone here who is a physician on this side of the committee, nor on the other side of the committee today—in our lives, we depend on the services of our physicians. You mentioned today that there was a new plan offered to the OMA by the Minister of Health.

Dr. Eoghan O'Shea: Released this morning. Apparently, it was released at about 8 o'clock and then there was a publicity announcement by 9 o'clock and there was no discussion—

Mr. Han Dong: I would just like to share some of the details included in the plan. With the Ontario Medical Association, it proposes a three-year plan that would improve patient access to care and provide more service for family physicians and care, and build stability into Ontario's health care budget.

Under the terms of the proposed plan, patients would receive more timely access to family physicians, family doctors would receive additional support, and fees paid to specialists would be reduced for certain procedures that can now be conducted with greater ease and at less cost.

Specifically, the three-year plan proposed to the OMA would include increasing the physician services budget by 2.5% each year, an additional \$185 million in compensation to family doctors, a fairness review of fees paid to physicians to reflect technological advancements and ensuring that all doctors are equitably compensated, and increasing to 1,440 the number of family doctors able to join the model to deliver comprehensive care to patients.

This proposed investment will help deliver better co-ordinated, more locally delivered and accessible primary care, which is where most patients access the health care system. A reduction in fees paid to physicians that bill over \$1 million will help enable new investments, allowing the reduction in fees for specific procedures.

What are your thoughts on these changes that we're proposing? To me, this answers some of the previous concerns we heard.

Dr. Eoghan O'Shea: I don't hear the consultation piece. I don't hear the respectful communication piece. I hear the unilateral decision being made without meaningful input from my representative organization.

I am not in a position to represent the whole organization. We've had a lot of conflict in the profession, and we realize that we have to get together—we're trying to put patients first. We feel that there's always a danger, for those who were around over 20 years ago, that physicians may—hopefully they won't move away again. That's not my position to make that statement. I think really respectful communication—you can always disagree with us, but why are we not at the table? We appear to be on the table—

Mr. Han Dong: This is actually a very good point. The proposed plan, specifically, provides an opportunity for the OMA to consult with their members. This is the province offering the plan to the OMA, and the consultation will take place amongst the members.

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Dr. Eoghan O'Shea: If this is basically the same deal being recycled, but even worse, because it's cutting—a million dollars sounds like a lot of money to a lot of people, and it is, but it depends on what your overhead is. There's a huge difference between your take-home and what you actually see on the cheque, and I think this has not been addressed by the minister.

To me, I would like to see someone say, "Why is the physician group being discriminated against and not having access to some equivalent of binding arbitration?" This is a fundamental right, and you know what's going to happen, because these things have gone down through the Supreme Court of Canada, where they've looked across the country and said that people such as ourselves who are working in essential services, who cannot go on strike—and we don't want to go on strike—are entitled to a certain form of respectful communication, such as under binding arbitration.

That's why this was rejected, and when it was presented before to the membership, Dr. Walley, who is the president of the OMA, who talked to you about a week ago, accepts and takes responsibility that they tried to ram this down—

Mr. Han Dong: Mr. O'Shea, I just have a quick question—

Interjection.

The Chair (Mr. Peter Z. Milczyn): Unfortunately, that's all of our time for this round. And Mr. Yakabuski, you're out of order.

Mr. John Yakabuski: Oh, pardon me.

The Chair (Mr. Peter Z. Milczyn): Thank you, Dr. O'Shea. If there's something you'd like to provide to the committee in writing, you may do so by 5 p.m. on January 20.

Dr. Eoghan O'Shea: Thank you, Mr. Chair. I hope you've had a good trip to Ottawa and that things go well for you, and I hope your families see you soon.

Interjections.

The Chair (Mr. Peter Z. Milczyn): All right, gentlemen. We're going to have order in this committee. I don't think it's acceptable for you to be trading back and forth like this, especially in front of the public. We're here for the public today. This is not question period.

RUNNYMEDE HEALTHCARE CENTRE

The Chair (Mr. Peter Z. Milczyn): Our 1:15 and 1:45 deputants have cancelled. Our 2 p.m. witness is here, however, so she will be coming forward: Runnymede Healthcare Centre. Good afternoon.

Ms. Connie Dejak: Good afternoon, and thank you so much for the opportunity to speak before you.

The Chair (Mr. Peter Z. Milczyn): You have 10 minutes for your presentation, which will be followed by questions from the Progressive Conservative caucus for five minutes. Please state your name for the official record.

Ms. Connie Dejak: Absolutely. My name is Connie Dejak, and I'm the president and CEO of Runnymede Healthcare Centre.

Runnymede is a rehab and chronic care facility which is located in the city of Toronto proper. We were initially slated for closure, and fortunately recently built a brand new hospital, which was a wonderful investment. We have a 98% occupancy rate and a waiting list of well over six to eight months to get in.

As recently as last month, the Ministry of Health and Long-Term Care re-designated us as rehab under the Public Hospitals Act, which is providing us with great opportunities to expand on-site, and that's why I'm here before you. I understand that there was a decision made that there would be no new long-term-care facilities built in the province—well, in Toronto, at least; I won't speak for the province of Ontario—and that, in fact, the focus was to retrofit and to bring those facilities that are currently existing up to standard.

I'm here to say that there is a lost opportunity in that decision. We currently have enough land to build adjacent to the hospital, moving our parking underneath, and we could build up to a 154-bed long-term-care facility.

Even if you were to go out and retrofit, or if you were to go out and renovate any of your long-term-care facilities, you're talking about individuals in the beds. The wait-lists are long. It's in a crisis state right now for long-term-care beds, so you would have to move those individuals somewhere. You're going to be moving them into acute care.

The next thing you'll be reading is that there are long wait times. Wait times are directly related to the number of individuals in the acute-care hospitals that cannot get into long-term care, chronic care or rehab facilities.

We right now have two partnerships, one with Trillium Health Partners in Mississauga, from which we take all of the Etobicoke patients, and one with St. Joseph's Health Centre, which is on the Queensway in the Parkdale area. Currently, St. Joe's has 85 long-term-care waits, so they have ALC, alternate-level-of-care, waiting.

What we're able to do is build a brand new facility on-site and have an opportunity—I was meeting with Veterans Affairs today—to actually designate some of those long-term-care beds as specialty beds for veterans, for example or, because we are a hospital under the Public Hospitals Act, really provide a continuum and maybe look at those with Alzheimer's or dementia: the difficult-to-place individuals, because their acuity is so high.

I'm going to leave that over there, because I'm afraid I'm going to run out of time for my second phase of this proposal.

I've been meeting with a number of individuals, and I'll just read out their names so I don't get them wrong. So far, I have Mark Saunders, who is chief of police for Toronto Police Service; Chris Varcoe, who is chair of the Mississauga Fire Fighters Association; and Dr. Silvain Roy, who is president of the Ontario Psychological Association. What we've been talking about is a clinic, a centre of excellence, for post-traumatic stress disorder.

The reason why we want to make it a specialty is that we feel there's a real opportunity—I know that there was a great announcement that the province has invested a tremendous amount of money, but we want to provide a clinic on-site with a focus in post-traumatic stress disorder.

I started to go out and talk to people about this, and I started to get a number of phone calls from educators, as well, who have said that they're seeing a lot of students who have been refugees, who have come in and are displaying the same symptoms. They are asking me, "Is your clinic open?" I said, "No. We're just in the process of working through WSIB, seeing if we can anchor it so that we can have this area of specialty on-site."

Our hospital is nestled in a residential area. It's a very wonderful, gracious-looking hospital. It doesn't look like acute care, and certainly doesn't carry the stigma of anything around mental health. I think that what I'm saying is that there are great opportunities available on our current site in the city of Toronto to meet some fairly urgent system pressures. Going through and providing the continuum, one of the biggest stumbling blocks is that this decision was made unilaterally not to have any more long-term-care facilities built.

What I would say to the committee is, respectfully, if you could give consideration to the effects of that kind of decision and the lost opportunities in terms of the big picture three and five years down the road, then that's all I can ask for—in under 10 minutes.

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. Dejak.

Ms. Connie Dejak: Thank you.

The Chair (Mr. Peter Z. Milczyn): This round of questions is with the Progressive Conservatives. Mr. McDonnell?

Mr. Jim McDonnell: Thank you for coming out today. I understand you have the ability to provide long-term-care beds, or to build them. Have you made an application with the government or corresponded with them to identify that possibility?

Ms. Connie Dejak: Yes. I've met with the Minister of Health. I've also met with the Ministry of Health and Long-Term Care. But as I said, even to make an application—they're not building any new facilities. That's a decision that was made. The Toronto Central LHIN, which is where our hospital falls under, is also behind us, completely supportive, and hoping that we can in fact be successful.

What's really interesting is that when I met with the Ministry of Health and Long-Term Care, they felt it was a finance decision that was made and not one in health. So that's how I ended up here.

Mr. Jim McDonnell: I know that the government talks about the desire to build these beds. I know that our senior population is up dramatically. But those are the results. We see no money for this type of thing.

It's the same with PTSD: no acknowledgement there of the ability to look after these patients that they talk so strongly of.

Ms. Connie Dejak: The first thing we wanted to do—the reason why I have the city of Mississauga is that they're in the forefront. They have actually incorporated it into their program. But even before that, we have to incorporate into the new recruits' training an understand-

ing of what this is, and the effects of it, and somehow destigmatize it.

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In any fire department, when there's some kind of traumatic accident, what happens is that they take the team away and somebody comes in and talks to them. I can tell you, three out of those five guys or women will not talk in front of their colleagues because they all say, "If one person says, 'Well, that's the job,' then that's the job."

My background is that I have a military family. I have a sister on the Toronto police force and my husband is a retired captain with the firefighters, so I absolutely understand how they're not even aware of when they're in this kind of situation. So what I wanted to do is to provide a very positive environment, not just for them but for their families, so that they can seek help. We can make it a place of wellness, and not a place that sick people go.

Mr. Victor Fedeli: Thank you very much.

Ms. Connie Dejak: You're welcome.

Mr. Victor Fedeli: I wanted to go back to your original statement that you're designated as a rehab facility. We see this prevalence of opioids in Ontario and across Canada. Can you talk a little bit about what's happening with opioids today?

Ms. Connie Dejak: No.

I'm kidding—

Laughter.

Mr. Victor Fedeli: Well, thank you.

Ms. Connie Dejak: Actually, I received our rehab designation one month ago. The Toronto Central LHIN and I are negotiating what type of programs we'll be offering. We're not in that sort of business yet. We may be—I don't know—but not today.

Mr. Victor Fedeli: I'm sorry. I didn't mean to put you on the spot.

Ms. Connie Dejak: It's okay.

Mr. Victor Fedeli: I thought you would want to go down a path—

Ms. Connie Dejak: I think there's somebody from the LHINs here who might hear me.

Mr. Victor Fedeli: I thought maybe you would want to talk about—

Ms. Connie Dejak: A rant?

Mr. Victor Fedeli: —the prevalence of fentanyl use in Ontario and other opioids.

Ms. Connie Dejak: No. I'm sure the physician—is he still here?—I'm sure he would like to do that.

Mr. Victor Fedeli: We heard about, from the physician a moment ago, 140,000 new people in Ontario every year and 100,000 new seniors. I know in our community what we were told is probably the same as every other community, that if you are looking at new long-term care, you tear down the old long-term care to build the new long-term care. I think, really, we're one for one today. So I don't think there is any surprise that when you have a facility, it's only to replace other facilities. I don't yet know why that is in Ontario, and I'm hoping maybe you've heard from the government why.

Ms. Connie Dejak: In all fairness to the government, because I know that most people on this side might want to throw the blame all on the government, the way you fund long-term care is that there is a percentage that's funded for ongoing renovations. What's happened is that over the years—I believe, anyway; this is what I've been told from the long-term-care sector—there hasn't really been the check and balance on how those dollars have been used. They've been thrown into, for whatever reason—it may be a good reason that they needed more in operating, they needed more in transportation, they needed more for pharmacy services. It hasn't been used for its designated purpose, so what happens is, like anything else, when you have stick construction—it's not complicated construction—when it's built to the specs that it's built to, it deteriorates quite quickly.

If we were to follow that plan—and I have a personal bias and think, "When you start retrofitting, you get into all kinds of trouble." If you were to tear down one long-term care in your facility, which is 160 beds, let's say, where do they go? Where are you going to put those 160 people? Let's stop talking about beds; it's people. Where are you going to put the 160 people while you build new? Are you going to go get land, then build new, and then transport everybody? I think that's the kind of peel-back, detail-in-the-weeds we need to really look at.

I'll tell you, one of the greatest risks—it wasn't building our hospital; I built it two months ahead of schedule and on budget. My greatest fear and risk was transporting 95 patients from the old building to the new. When you start moving people who have not been outside for a very long time, it's high risk. It sounds great on paper and it sounds like a very academic exercise—the number of beds. Just remember, there's someone in each and every bed, because there's a long waiting list.

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. Dejak. That's all of your time for this afternoon. If you want to provide something in writing to the committee, you can do so by 5 p.m. on January 20.

Ms. Connie Dejak: Thank you so much for your time. Merry Christmas.

The Chair (Mr. Peter Z. Milczyn): Merry Christmas to you, too.

RICK HANSEN FOUNDATION

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Rick Hansen Foundation. Good afternoon, sir. You have up to 10 minutes for your presentation, following which there will be five minutes of questions from the New Democratic caucus. If you could please state your name for the official record.

Mr. Brad Brohman: I will. Thank you. Good afternoon, and thank you for taking time with me today. My name is Brad Brohman and I work with the Rick Hansen Foundation. I have left you with some speaking notes that will follow along more or less with what I'm saying.

Imagine a world that can bring to life Rick Hansen's vision, where barriers are removed and we achieve an

inclusive world where people with disabilities are living to their full potential, contributing to the Ontario and Canada that we all want.

The mission of the Rick Hansen Foundation is to inspire leaders, influencers and the public to join Rick in creating a global movement to remove barriers in the built environment and thereby liberate the potential of people with disabilities. With that key foundation in place, other barriers can be addressed, including employment, education, transportation, communication and health care.

We want the built environment in Canada, as defined by the buildings and places where people live, work and play, to be accessible for people with disabilities by 2050. This goal very much complements the equally ambitious goals of the province of Ontario.

For 30 years, Rick Hansen, the foundation and many others have been dedicated to raising awareness, changing attitudes and breaking down barriers for people living with disabilities, and we're grateful that the government of Ontario has been a generous supporter of our journey and mission. To date, by leveraging the funds from the Man in Motion World Tour, along with government and corporate support, over \$342 million has been raised to support initiatives that promote awareness, improve accessibility and facilitate spinal cord injury research through national and global partnerships.

A lot has been done, but more needs to be done if we want to make Ontario and Canada truly accessible and inclusive. According to StatsCan, approximately one in seven Canadians 15 years or older reported having a disability that limited them in their daily activities. With the aging baby boomers, that number will rise to as many as one in five Canadians within the next 20 years. It's this demographic that's going to drive the business case in support of accessibility.

As well, there are over 400,000 working-age Canadians with disabilities who are not working, but whose disability does not prevent them from doing so. Almost half of these workers have a post-secondary degree.

How will we unleash the social and economic power of all people with disabilities, along with their extended families' and communities'? I've listed four important points here:

- raising awareness that disability and accessibility are big issues;
- changing attitudes about the potential of people with disabilities;
- removing those barriers that prevent them from fully participating in society, starting with the built environment; and
- going on to measure progress and celebrate success as we go.

We have a funding proposal to present which will drive the government of Ontario's stated objectives to build a more inclusive society, including supporting the work of Minister MacCharles as she works to fulfil her mandate to "help people with disabilities realize their full potential and meet the goals and objectives of Ontario's

2025 plan." We'll do this while complementing and staying true to Rick's vision.

In 2015, on the occasion of the 10th anniversary of the AODA, the then responsible minister, Minister Duguid, stated, "I'm proud of how far Ontario has come on its accessibility journey. But there's still a long way to go to reach our goal of becoming an accessible province. This will require a sustained and collaborative effort...."

"Over the coming months and years, we will continue to seek advice and new ideas from the many partners who play an essential role in helping realize this shared vision...."

"In order to truly be successful in achieving our goal, we need to reach higher, to go beyond the requirements of the AODA and its standards. We need to integrate accessibility into everything we do, until it becomes second nature." Collaboration with others is absolutely the right orientation, and the foundation wants to help the province of Ontario reach higher and realize a shared vision.

More recently, Minister MacCharles, the minister responsible for accessibility, spoke in the Legislature on the occasion of the International Day of Persons with Disabilities and said, "We came together to promote the inclusion and equality of people with disabilities. We believe it's an issue of human dignity, a matter of social justice and a driver of economic prosperity...."

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"Everyone in this House knows that people with disabilities have remarkable talents to offer, and that many are able and willing to work. But they're being shut out of the labour market, often because they lack the experience and training that would help them build a resumé and get a job. Speaker, it's time for action."

We couldn't agree more. We see addressing accessibility as an economic and social imperative of a modern Ontario.

At the national level, Prime Minister Trudeau, again on the International Day of Persons with Disabilities, was quoted:

"On the International Day of Persons with Disabilities, we celebrate the contributions made by persons with disabilities to our country, and recommit ourselves to building a Canada that is truly inclusive and equal."

"Around the world, far too many persons with disabilities still face major barriers—stigma, discrimination, limited accessibility, even denial of basic human rights—to fully participate in society...."

"Today, and every day, let us take action to break down the barriers that exclude Canadians with disabilities. We cannot rest until persons with disabilities have the same opportunities as everyone else."

This is not just a provincial challenge and opportunity, but a national and global issue requiring a loud call to action. We have some ideas about how to accelerate Ontario's 2025 plan. Here are our recommendations and solutions.

We recommend that the government participate in the Rick Hansen Accessibility Innovation Strategy, which is

a five-year, multi-initiative plan to work in partnership with the federal government, other provinces, municipalities, the community of people with disabilities and the business community to accelerate the shift to a fully accessible society. In summary, the strategy has a variety of initiatives that will support the government of Ontario's commitment to building an inclusive Ontario, and those are outlined in your document.

The centrepiece of our strategy is our accessibility program. This is a framework inside which several initiatives are anchored by a LEED-style certification program designed to rate the accessibility of the built environment and promote and recognize the adoption of universal and inclusive design principles. It will include a professional accredited training program; exciting and meaningful employment opportunities for people with disabilities; an accessibility lens on public infrastructure spending; and research to better support the business case required to do accessibility well. We want to pilot its application in Ontario.

With Ontario's participation in the federal government's infrastructure program, we have a once-in-a-generation opportunity to build an accessible Canada in which nobody is left behind. By simultaneously helping to pilot a certification program, the government of Ontario can take a leadership position in helping to accelerate the building of a universal and accessible province and country. Our goal is that the certification program will be self-financing and paid for by industry within the five-year window of this plan and will have the potential to become globally relevant, supportable and scalable as a made-in-Canada solution.

As an added benefit, we believe that launching a robust professional certification program in the built environment will drive higher compliance with the AODA, because industry will be actively engaged and they'll better understand the benefits and incentives to embrace universal and inclusive design. There will be public recognition for businesses going beyond the minimum. They will collectively create visible examples for other business leaders to follow. It's a positive approach to working with and incenting industry to go further.

We're also looking for funding to support or activate several of our awareness-driven initiatives that are jumping off from our Canada 150 signature event, which has been funded by the federal government. Again, all of those initiatives are listed at the back of the presentation. They're intended to inspire and engage communities and youth and be a provincial and national call to action to build, measure and celebrate an accessible Ontario and Canada.

We're recommending an investment from the government of Ontario of \$3.75 million in the 2017-18 budget toward this strategy. We also ask that the government of Ontario create an accessibility fund to provide a supportive route for non-public infrastructure projects to embrace accessibility and inclusive design principles, ideally at the community level.

It's one thing to have a positive program like a certification program to point building owners, landlords

and community leaders in the right direction, but we also think it's important to have some funding to come in from behind to help leverage the kinds of retrofits and other projects necessary to make progress visible and measurable.

With this fund, we'd look to the government of Ontario to use our certification program methodology to determine the eligibility of projects seeking funding, along with any other eligibility requirements such as matching funding etc. I think this would provide an efficient and creative method of assessing project eligibility while providing real-world skills for our trained accessibility experts to hone their skills on the job.

It should be noted that in a recent Angus Reid Institute survey, 88% of respondents agreed that Canada should be a world leader in ensuring universal access to public spaces, and a similar percentage agreed that a LEED-like program, to rate the accessibility of buildings, would be worthwhile.

We have undertaken significant efforts to lay the groundwork in Ontario to help make our strategy a success, including participating over the last year in consultation with the province of Ontario to bring in a third-party-led accessibility certification program. The certification models we have presented for consideration have been very positively received by both the government as well as the public, who were invited to comment.

At the core of our program is a commitment to recruit, train and employ people with disabilities to become the first wave of experts rating and assessing the built environment in Ontario.

People with disabilities have a unique lived-experience perspective that will be incredibly valuable when applying our pan-disability, multi-sensory rating methodology. This could be the beginning of a very exciting career opportunity for a group of people who we all know have been marginalized and disadvantaged in the world of work.

We've also been very active building a network of support for our strategy with the federal government, where we've submitted funding requests; other provinces, including BC; municipalities, including a number of mayors in Ontario; and large developers and landlords—

The Chair (Mr. Peter Z. Milczyn): I'm going to cut you off there. I've already given you about an extra minute.

Mr. Brad Brohman: Okay.

The Chair (Mr. Peter Z. Milczyn): This round of questions begins with Ms. Fife.

Ms. Catherine Fife: Thank you, Brad, for coming in and sharing the success that the Rick Hansen Foundation has had—and hoping to transfer some of that success to the province.

The same day that the minister gave her statement, I also gave my statement on behalf of the NDP. I called on the government to be a better leader on inclusive employment strategies. I don't know if you've been tracking, but the government can do a better job itself in

leading and putting into action the language that we hear around inclusive policies.

Everyone agrees that the AODA standards—it's important to have a benchmark. It's important to have a goal. But there have been some real challenges around funding, particularly on the business side. Is the idea that the \$3.75 million would be an enhancement, a fund that would help businesses reach their goal of truly being accessible? Is that the goal?

Mr. Brad Brohman: Yes. Part of it is to fund the recruitment and training of people with disabilities to go out and rate and assess the built environment and provide advice, guidance and direction to those businesses that have agreed to be rated.

We're not looking to shame people and that kind of thing in this program. We're trying to field-test this certification program, and the funding would help us do that. It would also help us raise awareness and engage with industry to help them see the benefit and value of going beyond the minimums of the building code or other things like that, just like LEED did 30 years ago. It's exactly the same idea.

Ms. Catherine Fife: Absolutely. I'm sure that the foundation has also been tracking new movement around ensuring that our schools are accessible. This is 2016, soon to be 2017. These are things that are within the government's control. Don't you agree? Every child should be able to access their classroom, if need be, don't you think?

Mr. Brad Brohman: I agree. They should be able to access any public space in the province. I think that there are things that can be done. Obviously, there are challenges with heritage buildings and other kinds of things like that. But we don't have to start there and lose our momentum. Let's start with things that are manageable and doable and work forward from there.

Obviously, schools are a big part of our programming. Part of our Canada 150 effort is, we have a \$1.7-million fund that we're using to grant schools to do some projects across Canada.

Ms. Catherine Fife: And playgrounds and what have you, as well?

Mr. Brad Brohman: Yes, it's very important.

Ms. Catherine Fife: Those continue to be barriers.

On the pilot application in Ontario, the goal is that you want to—the government talks about Rick Hansen all the time. They're very proud of their partnership. I think all the parties have tried to reach out in a meaningful way. I just want the foundation to be cognizant of the fact that the government—the reason that I like the foundation is that you're hoping to incentivize, inspire and motivate through a strong business case that inclusion and accessibility are strong economic principles, as well. But the government, I think, also needs to hear this message.

Mr. Brad Brohman: Yes, and we've been working with them very closely over the last year through the consultation process that was undertaken. I think there has been a lot of resonance with not just the model that we put forward, but working in partnership with others

who have similar ideas. I think we can make advances, but obviously the government has to step up and work with groups like ours to compound and grow the benefit of working with groups like ours in the community.

Ms. Catherine Fife: Well, your public awareness and education outline, I think, would go a long way to actually bring businesses on board. There is some relationship damage control that has to happen, because sometimes the oversight around accessibility has not been as strong as it can be. But I do think that a balanced approach, which is what you're proposing, will go a long way.

Thank you very much for being here today.

The Chair (Mr. Peter Z. Milczyn): Thank you very much, sir. If you want to provide something additional in writing, you can do so until 5 p.m. on January 20.

Mr. Brad Brohman: Thanks so much.

The Chair (Mr. Peter Z. Milczyn): Committee members, our next scheduled deputant isn't until 2:15, so we stand recessed for 30 minutes.

The committee recessed from 1341 to 1412.

OTTAWA POVERTY REDUCTION NETWORK

The Chair (Mr. Peter Z. Milczyn): The Standing Committee on Finance and Economic Affairs is back in session for the afternoon of witnesses in Ottawa.

Our next witness is the Ottawa Poverty Reduction Network. Good afternoon. Thank you for your patience. We are right on time, actually. You have up to 10 minutes for your presentation, followed by five minutes of questions. Your questions will be from the Liberal caucus. Please state your name for the official record as you begin.

Ms. Linda Lalonde: My name is Linda Lalonde: L-A-L-O-N-D-E; Linda with an I. I'm speaking on behalf of the Ottawa Poverty Reduction Network, which is a coalition of different organizations and agencies in Ottawa that work on poverty issues. I have four quick points.

The first one: You'll see you have a piece of paper that looks like this. The guaranteed annual income supplement was brought in in the mid-1970s by a gentleman named Darcy McKeough and was intended to raise seniors out of poverty. As many of you probably know, that's still being paid out. In 1988, it was \$83, which in 2016 dollars is \$148.41; the difference being \$65.41. If you look at the column beside the grey stripe, at the very top you will see "Ontario Guaranteed Annual Income System" and if you look under "monthly payment," you will see that a single person receives—did I mention that in 1988 it was \$83? Well, a single person is still receiving \$83. They have lost, with inflation, \$65.41 a month with that program. It would be helpful if you would increase that in this budget.

My second item is the low-income transit pass. Today at Ottawa city council, they passed their budget. It included a low-income transit pass, which will bring a pass for people who are under the low-income cut-off

level to \$57.75 a month, which is a reduction of \$56. That is going to make transit very accessible for a lot of people, but it will not make it accessible for everybody who is on low income. We would like to see an infusion put towards transit and transportation for low-income people. I see my friend Toby over there is going to raise his eyebrow at me. It should not be funnelled through OCTranspo, which is our local transit company, because that's not going to reach the folks for whom there is no transit, i.e., people who are in rural areas and/or who work outside of busing hours. We would like to see it put in and distributed with the Trillium benefit, which comes on a monthly basis. You've already done the income testing. You've already established who is low-income. That would allow people to get out of their homes, to get to work, to get to school, to get to medical appointments etc.

The third point I have is the basic income pilot. As you know, in the last budget there was a commitment to a basic income pilot which will be happening soon; they're in the process of organizing it now. We are expecting that the implementation will start sometime during this fiscal year. There will obviously be a period—the minister's mandate letter says that by April 1, there is to be an introduction of a pilot, which means that in the coming fiscal year we will have both the actual set-up of the pilot and the arrangements with municipalities etc. that need to be done before it happens. Hopefully some people will actually commence getting some kind of benefit from that pilot. That money needs to be in this budget.

My last point is around the administration of this lovely committee. It would be really nice if instead of renting hotel rooms like this one, which I'm sure doesn't come cheap, you would use municipal facilities or other government facilities when you're in the various towns around the province, which would save a lot of money.

Secondly, you're asking for 25 copies of everything that we produce. I'm willing to believe that every single one of you owns a computer or some kind of electronic device on which you could read submissions. I won't put you on the spot and ask you how long it is between when I hand you a brief and when you put it in the shredder, but I know that that material is not maintained permanently in a paper format. Can I say my "trees crying" comment? If you multiply the number of submissions that you get when you're travelling around the province by 25 copies—I know the forestry industry has been to talk to you, so just pretend I didn't say this, but I do hear trees crying.

My last admin thing: It would be great if you could set up a regular cycle of when you do these hearings, because most of us have work plans. If we're trying to prepare for this—sometimes you're here in December, sometimes you're here in January, sometimes you're here in February—when I say "here," I mean out and about. It would be great if you could do a six-week period in November and December so that we could predict when we have to be ready, whether it's an actual visit with you or whether we're putting in a written submission, which

would give you January and early February to do report prep. You could actually have your final product in the minister's hands well in time to actually influence the budget and not be an addendum to the budget, so that it could actually make a difference.

That's it. Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. This round of questions begins with Ms. Hoggarth.

Ms. Ann Hoggarth: Thank you very much for your suggestions and thank you for your presentation. I know from reading my information that you've been working very hard in this area and I thank you for doing that.

As you know, the province has a well-defined framework with regard to municipal housing and homeless plans. I understand you've had interest in a similar idea around poverty plans. What do you think a provincial framework might look like for this?

Ms. Linda Lalonde: A framework for poverty reduction or for homelessness?

Ms. Ann Hoggarth: For housing for the homeless.

Ms. Linda Lalonde: We already have a long-term plan in the province for housing, and we have one in this municipality, as well as, I understand, in every service delivery manager place across the province; they have 10-year housing and homelessness plans. We already have that in place.

Ms. Ann Hoggarth: And you're saying that you want the government to implement that plan? Or would you think a combination of what the province has in mind and your plan? Can you share with us what your plan is?

Ms. Linda Lalonde: What the city's plan is? I'm not the city of Ottawa. I just want to make that clear. I am from a community organization.

Ms. Ann Hoggarth: Right.

Ms. Linda Lalonde: The 10-year housing-and-homelessness plan is with the city. Certainly, I can refer you back to my previous presentations to this committee, several of which talked about housing as a priority. We've actually seen the housing plan going into place in Ottawa. We have seen the province's long-term-housing plan; I can't remember how long "long-term" is with the province, but there is work happening at the provincial level that we would endorse, if that's what you're asking.

Ms. Ann Hoggarth: I'm wondering how you could combine the two.

Ms. Linda Lalonde: Our municipal 10-year housing-and-homelessness plan is—I won't say it's a subset of the provincial plan, but it's a requirement under the provincial plan, so they are already integrated in some way.

Ms. Ann Hoggarth: Okay.

Ms. Linda Lalonde: Build more houses. How's that? Does that answer your question?

Ms. Ann Hoggarth: That sounds like a good idea.

Ms. Linda Lalonde: Yes.

Ms. Ann Hoggarth: Which jurisdictions do you think are doing exciting, transformative work in this area?

Ms. Linda Lalonde: Housing is not my expertise. When you say "jurisdiction," you want to know—

Ms. Ann Hoggarth: In poverty reduction.

Ms. Linda Lalonde: Oh, in poverty reduction. Okay. Newfoundland is doing a great job. They have actually moved people off poverty.

Ontario has made a few drops in the bucket with the provincial poverty reduction plan, but the province of Ontario could do a lot more in the area of poverty reduction, and there are a whole lot of ways they could do that. One is building housing, so people aren't putting all their money into the roof over their head. Transit would be great; transit and transportation is a huge item for a lot of families. A food supplement would be a great idea.

Ms. Ann Hoggarth: Could you tell me your feelings or your ideas about the guaranteed basic income?

Ms. Linda Lalonde: Yes. This is a personal response, because we don't have an official position yet; the consultations aren't until January. I think there should be a basic income. It should be done as a net income tax set-up, so that you put your income tax in at the beginning of the year, and then, based on that, you get an allocation with family size taken into account and so on.

There must be a way that if someone's situation changes during the year, if I lose my job or I have more kids or whatever, outside of that income tax testing, to adjust the amount that the family gets.

Ms. Ann Hoggarth: Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for presenting today. If you do wish to provide something additional in writing, you can do so until 5 p.m., January 20.

Ms. Linda Lalonde: That was scrawled at the top of my first page and I forgot to say it. Sorry. I will be putting something in writing.

The Chair (Mr. Peter Z. Milczyn): Thank you very much.

Committee members, our next witness is not here, so we will recess until 2:30 or as soon as they arrive. Please stay in the room.

The committee recessed from 1423 to 1430.

The Chair (Mr. Peter Z. Milczyn): Good afternoon. The Standing Committee on Finance and Economic Affairs is reconvened for afternoon witnesses for pre-budget consultations.

RENEWABLE INDUSTRIES CANADA

The Chair (Mr. Peter Z. Milczyn): Our next witness is Renewable Industries Canada. Good afternoon. You have up to 10 minutes for your presentation, which will be followed by five minutes of questions from the Progressive Conservative caucus. As you begin your presentation, if you could please state your name for the official record.

Ms. Andrea Kent: Absolutely. Thank you very much, Mr. Chair. I'm Andrea Kent. I am the president of Renewable Industries Canada. It's an absolute pleasure to be here in Ottawa with you this afternoon and to see our local MPP as well, which is very, very exciting.

We really appreciate the opportunity to come and make a presentation and help you inform the committee's

work. You certainly have a pretty big and important task ahead of you.

From our perspective, we wanted to introduce you to our members, the work that they do in Ontario, and some of the work that we have been engaging with, especially over the past 18 months or so, since the government released its climate change discussion paper and then, ultimately, the climate action plan, from about six months ago.

I'm sure that you don't need me to tell you that Ottawa has followed suit and made some recent announcements, when it comes to looking at a national carbon price. We're very interested in helping everyone in Ontario, from a business perspective, figure out what that could mean for Ontario industry opportunities, and specifically the producers of biofuels, which is who we represent.

We presented two pieces of materials for your information today. There is a placemat-type document which will give you an overview of the industry at large, our products and what they do, as well as a presentation deck for your reference that you can use, looking at our specific recommendations in terms of what Ontario can do to capitalize on the opportunities and challenges presented by climate change programs, the cap-and-trade program, and also what our businesses have been up to, several of which are in your ridings.

Renewable Industries Canada has existed as the Canadian Renewable Fuels Association since about 1984. We represent people who are, by the nature of their businesses, low-carbon-fuel producers, retailers and sellers, as well as the providers of new cutting-edge technologies for things like waste-to-biofuels technology.

Looking at our core products, while we have expanded our membership to include more than just ethanol and biodiesel producers, they still remain at the heart of the work that we do. To give you a sense of it, a very significant portion of Canada's ethanol industry is located in Ontario. As well, there are renewable diesel and biodiesel producers throughout the province.

Looking at biofuels, we'll talk about ethanol and renewable diesel. These are added into the gasoline pool for ethanol. Renewable diesel gets added into the distillate pool. Nationally, there are requirements that say that there needs to be renewable content in gasoline and diesel. The national standards are 5% ethanol in gasoline, and then it's 2% for renewable diesel.

If you look down—we'll skip ahead a little bit—to I believe it's the sixth slide, it'll give you an idea of where the policies are right now across the country so that you can see that there are national requirements, as well as specific Ontario requirements, for bio-based materials in diesel and in 5% ethanol. Looking at bio-based diesel, there's a really great program called the greener diesel mandate, which goes up to 4% of renewable diesel content in the diesel pool, with a reduction of 70% of greenhouse gases. That goes through to 2017.

The crux of our two recommendations has to do with expanding these mandates. So looking at what Ontario

has set out as its ambitious reductions, looking at the climate change action plan, transportation will be a very, very critical and very difficult portion of getting to those GHG reduction targets. We think that biofuels are a natural fit in reaching that objective. As well, at the same time, the mandates—we know this because we represent the producers of these products—give them the business certainty that they need to expand their operations.

Looking at biofuels production across the country, it's already a \$3.5-billion industry. Looking at Ontario, as I mentioned before, there are just under 10 plants in Ontario that are producing ethanol and biodiesel. The reason why they chose Ontario is because there were already very strong policy mandates in place for ethanol and biodiesel provincially that nest really well with the national program. We have seen a very robust build-out of ethanol, as a result of that, and also biodiesel.

Looking at what a cap-and-trade program creates, it's a different type of program. It's also an opportunity for biofuels to have an increased market share and a very important role in GHG reductions. If you look at biofuels, they burn up to 99% cleaner, right? As consumers, you probably don't even know that you're using them, so it's not too hard of a political sell either.

By increasing the mandates in Ontario, which are two recommendations at the end, you can see that by going up to 7.5% ethanol by 2018, you're going to get an additional 1.6 megatonnes of reductions annually. Looking at going up to 5% renewable diesel, you're going to see even more megatonnes come off, so an additional one megatonne annually by just going up that one extra per cent on the renewable diesel side.

The higher blends aren't difficult to get to. As I mentioned, the infrastructure is there. Even with a 5% requirement, we know that you're usually seeing an over-compliance anyway. In terms of new infrastructure into the fuel system that would be required, those demands are going to be quite minimal.

Looking at what you get in return—we talked about the GHGs. Sometimes megatonnes are kind of this abstract concept that can be difficult to understand. But what I think is really easy to understand is—looking at slide 9, and that's what it means for the business side of it. There are a lot of talking points floating around about the economy and the environment having to work hand in hand. We think we're an excellent case study for that.

These are two recent announcements that have come out in the past six months from Ontario businesses: The first one is BIOX; they're located in Hamilton. They have a biodiesel production facility. Because of the greener diesel mandate, they have acquired an additional facility in Sombra, Ontario, that had been shuttered. It was shut down. It wasn't employing people anymore. It wasn't producing. Nobody was really interested in buying it. BIOX was able to realize that there was a business opportunity created by the mandate, and rather than selling its product into the American market, it purchased the Canadian shuttered facility in Sombra, Ontario. It's going to bring that online and it's going to

be reopening that formerly closed facility. That is a direct result—you can see the quote there; that's from the CEO of BIOX—because of the greener diesel mandate. Going up to 5% would mean more business opportunities like that.

Looking at IGPC Ethanol, they're located in Aylmer, Ontario. They are—as I'm sure you can appreciate, if you've been to Aylmer—right in the heart of corn country. It's a really important local business that is an anchor tenant for investment and agriculture, and a very large employer in southwestern Ontario as well. They're looking at doubling their facility as a result of Ontario's announcement in the climate action plan to increase ethanol content in gasoline.

1440

So you're going to hear a lot, I think, in the coming year when the climate action plan continues to roll out in the province. You're going to hear a lot in Ottawa from your federal colleagues as well: "What's the price on carbon? What should it be? How is this going to all work out?" But what I'd like to leave you here with today is that there are some immediate things that you can do in the very, very near term that are going to not only kick-start the GHG reductions but can also result in more local economic development, more rural economic opportunities, more new jobs and kind of keep Ontario businesses going in a time where there's still a lot of uncertainty. We don't know how the other environmental costs of programs can shake out, like with cap-and-trade, but we do know that there's a direct link between increasing the mandates and jobs.

So I'll just leave it there. I'm looking forward to questions from anyone around the table.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Your round of questions is with the Progressive Conservative caucus. Mr. Barrett?

Mr. Toby Barrett: Thank you for the presentation. You indicate that we already have federal legislation—a 5% ethanol blend and 2% biodiesel or other product. Ontario sits at 5% ethanol and 4% biodiesel or biomass. Now, at one time, the government was on its way to 10% ethanol, as I recall. I recall at the time that we got into the food-versus-fuel debate and the McGuinty government backed off, if I'm not mistaken. Where are we at on that now, as far as public opinion?

Ms. Andrea Kent: I'll answer in two parts, because it is an issue that comes up quite a bit. When you look at ethanol technology in the past 10 or 15 years, it really is like comparing your iPhone of today to the old school Alexander Bell telephone. It's important to acknowledge that there have been tremendous improvements in sustainability practices of agricultures as well as in just the efficacy of ethanol production over those 10 or 15 years, whereas those food safety and food security concerns haven't evolved in the same trajectory. Looking at ethanol production today, there are no food security concerns with it. Also, looking at it just as a net exporter of agriculture in Ontario, there's a very, very important tie-in to economics for your farm, your farmers and your

farm gate income and ethanol production. So it's a win-win on that side.

We did some polling just at the end of last year, and there was 88% support for increasing renewable fuel mandates. So Canadians are ready for it. There is about 10% that is very, very vocal that still brings up food versus fuel, but they're a vocal minority. They're not where the majority of thinkers are.

Mr. Toby Barrett: So just quickly, as my colleague has a question: You indicate here that Ontario intends to set a renewable standard or, obviously, increase the renewable standard. What document is that in?

Ms. Andrea Kent: That was part of the climate action plan that was released. They talk in broader terms about wanting to boost renewable content in gasoline. We've crunched some numbers, so they would need to be at around an E10 to keep that track. We think, as well, that it's a broader plan, but there really is no practical reason why the biofuels mandates shouldn't be fast-tracked and proceed, even with the other announcements that are coming out of Ottawa.

Mr. Toby Barrett: My colleague has a question.

Mr. Jim McDonell: Is there a technical target that you would want to go to as far as the ethanol percentages?

Ms. Andrea Kent: Very specifically, for ethanol, we would recommend going to 7.5% and coupling that with 35% in GHG reductions by 2018—2018 being kind of the latest that this should start. The reason for that is that the business decisions of companies like IGPC or GreenField ethanol—GreenField is the largest ethanol producer in the province. They are in a position to use these as good business opportunities, but if they continue to stall, then that becomes more doubtful, less bankable. We can go up to E10 after that.

Looking at increasing to E10, we would also recommend a 40% GHG reduction. That can be done by 2020. Looking at the biodiesel side, it's already up to 4% with the greener diesel mandate. We would recommend raising that to 5% by 2020.

Mr. Jim McDonell: You talk about employment opportunities. You're talking about just in the production of ethanol?

Ms. Andrea Kent: Looking at the Biox story that we were talking about a little bit earlier, that's biodiesel. There's one from each, right? There is IGPC Ethanol with their press release from I believe maybe about a month ago. Biox's was from a couple of months ago.

Mr. Jim McDonell: On the farming side, of course, they're pretty well at their limit as far as productivity when it comes to corn or soybeans in this province. The increases all come through the production of ethanol, which would typically drive up the price of corn or—

Ms. Andrea Kent: We're already looking at blends of upwards of 7% for ethanol 2. Some of it is imported, but there is no reason why we could not use domestic corn without disturbing any of the other market opportunities for that crop with E10 by 2020. That's a safe progression without disturbing any of the other agricultural markets.

Mr. Jim McDonell: Are any other countries going to that—the US, of course, is not at this point.

Ms. Andrea Kent: It's interesting to see. I think that you're going to continue to see strong biofuels policies coming out of the US because very much—where I think in Canada, it's become more of an environmental policy going forward, looking at the US, there's still a very, very strong energy security component and an agricultural component. I don't think that's going to change with the new president-elect. I think in some ways, there is probably more security for that there.

Looking at the placemat document, we did some international comparables for you, so you can see there are still very strong mandates in the US; South America has some of the world's strongest mandates as well. Interestingly, going back to the point on food security issues and just how far this issue has come, Ethiopia has an ethanol mandate now.

The Chair (Mr. Peter Z. Milczyn): Thank you. That's all the time we have for today. If there's anything further you'd like to provide to us in writing, you can do so until 5 p.m. on January 20.

Ms. Andrea Kent: Excellent. Those were great questions. Thanks so much.

MS. RACHEL SAMULACK

The Chair (Mr. Peter Z. Milczyn): Our 2:45 witness has cancelled, so our next witness, who is present, is Ms. Rachel Samulack. Good afternoon.

Ms. Rachel Samulack: Good afternoon.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, following which there will be five minutes of questions. In your round, it will be with the New Democratic caucus. If you could please state your name for the official record.

Ms. Rachel Samulack: My name is Rachel Samulack. I feel like I'm on the hot seat.

Good afternoon. My name is Rachel Samulack. I am here to talk to you about my family's story with regard to budget considerations regarding Bill 141, the Pregnancy and Infant Loss Awareness, Research and Care Act.

Our lives were forever changed on Thursday, February 18, 2016. What had started out as a normal and uncomplicated pregnancy all crumbled to pieces during a routine 19-week ultrasound of our son Aaron. Around 15 minutes in, the technician went quiet and started to concentrate deeply. The 20-minute ultrasound lasted almost an hour and she was writing question marks on the screen. After I miscarried at 10 weeks with my first pregnancy, and a healthy, happy boy named Gabriel, born in September 2014, this was not what we expected to hear.

That afternoon I received a call at work from our midwife. The results had come back and the radiologist had not been able to see kidneys and the fluid level was very low. That was Thursday.

Another ultrasound was scheduled for Monday morning at the high-risk unit at the general hospital. That Saturday night I experienced what I thought was fluid

loss and we went to the emergency department at the Montfort Hospital. I was turned away from the birthing unit at the hospital as I was 19 weeks and one day, not the required 20 weeks. We sat for five hours in the emergency department with people who were vomiting and coughing while I had contractions. We were told by the emergency department triage nurse that we had to be patient because there was only one gynecological bed and it was busy, and that there was another pregnant patient who was bleeding and also needed a bed. We found out from her husband that she had lost two previous pregnancies and was likely losing this pregnancy as well, at 15 weeks, in the ER.

1450

We went home after five hours, never seeing a doctor, because we decided that we should get some rest if our baby was going to be born soon.

The contractions stopped on Sunday morning.

On Monday, February 22, 2016, we attended our follow-up ultrasound at the general hospital. On the second ultrasound, we heard our son's strong heartbeat and saw his beautiful profile and his right hand in front of his face, like he was waving at us.

We were directed to a meeting room where a doctor told us that Aaron was not compatible with life. The doctor explained that our little baby had bilateral renal agenesis, meaning no kidneys. There was no measurable amniotic fluid around Aaron because of this condition, which meant that his lungs were not able to develop enough for him to survive after birth. He was otherwise perfect and growing right on track.

In addition to this, she also said that the placenta was covering the opening of the uterus, which meant that if I went into labour, I would suffer significant bleeding. If we continued with the pregnancy, I would have to have the baby delivered surgically via caesarean section. She said that most families decide to end the pregnancy at this stage, as it is easier and safer. Because of the placenta previa, the termination would need to take place as soon as possible.

After hearing Aaron's strong heartbeat and feeling him move constantly, I told her no, we wanted to continue the pregnancy, but we would think about it. We were given no resources about the option to continue the pregnancy or a referral for counselling. Through our own research, we later found out that the rate of termination for this condition is in the high nineties, and that the probability of having this condition is between one in 3,000 and one in 5,000.

We were to come back that Thursday morning for another appointment.

There is only one case worldwide where a child has survived with this condition. This child was born at Johns Hopkins Hospital in the United States. She is still alive today. My husband Rob, a nursing student, advocated for the same treatment plan, which was weekly amniotic fluid infusions, followed by dialysis and a kidney transplant after birth. At the next meeting with our obstetrician at the maternal-fetal medicine unit, Rob presented

his research, but we were told that this treatment is too risky and is not offered in Canada.

Rob and I were devastated, but with the support of our midwife, families, friends and church community, we decided to continue on with the pregnancy. Only after we fought to continue with the pregnancy were we referred to Roger's House, which is a perinatal hospice and palliative care house for children in the Ottawa area. Amongst other services, Roger's House provides family-centred care for families whose babies are likely to die before, during and shortly after birth. The Roger's House team helped us to write a birth plan, advocated for our plan, arranged for a photographer to come after Aaron was born, and offered counselling with a social worker both before and after the birth of our son.

The placenta moved at 32 weeks, which was not supposed to be medically possible. However, Aaron was in a breech position, where one foot was up and one foot was down. In 2009, the Society of Obstetricians and Gynaecologists of Canada recommended that physicians should no longer automatically opt to perform a C-section in the case of a breech birth. However, these babies are almost never delivered vaginally in Canada.

In our case, we knew that Aaron's life would be short, and that a vaginal birth would allow us to have the time and privacy as a family immediately after birth that an operating room and a C-section would not. We met with a fellow, a doctor training in the specialty of maternal-fetal medicine, at 32 weeks, and asked for a referral to an obstetrician who would deliver a breech presentation. The fellow commented that we may as well have terminated our pregnancy if we wanted to attempt a breech birth. This implied that choosing a breech birth would be killing our baby.

We told the palliative care team at Roger's House and our midwife about the appointment, and they advocated for our breech birth plan by contacting the staff obstetrician for the necessary referral. The breech birth OB agreed to our plan when I was 34 weeks pregnant.

Aaron was an active baby. He loved spicy food and music. During church or at night, when my husband would play the piano, he would move constantly.

Our son, Aaron Isaiah Robert Peters Samulack, was born on Father's Day, June 19, 2016, a short six months ago. It was a fast labour. We arrived at the hospital at 9:10 a.m., and he was born at 9:29 via a textbook breech birth.

Interjection.

Ms. Rachel Samulack: Yes, especially compared to our first one.

We had 100 precious minutes with Aaron. He was born at 36 weeks and weighed four pounds and eight ounces. He was a beautiful little boy with strawberry-blond hair and big lips like his big brother, Gabriel. Gabriel met him in person, as did his nana and papa and, via webcam, his grandpa, grandma and aunts and uncles. He did not appear to be in any distress except when a camera flashed. I do not believe that he experienced any pain. It was sad and it was hard, but it was beautiful. He was surrounded by love.

Our nurse, doula and the team at Roger's House were amazing. Rob and I just completed an eight-week group counselling session at Roger's House, which has been so helpful. Rob and I will be organizing a run next October in Ottawa called Aaron's Butterfly Run to raise awareness about pregnancy and infant loss. The proceeds raised will go to the perinatal hospice and counselling program at Roger's House.

This brings me to my recommendations for the 2017 Ontario budget. These recommendations come from the first summit on pregnancy and infant loss awareness in Toronto, held in 2016—I have a copy of it here and I'll pass it around—as well as my own personal experience.

My first recommendation is to establish early pregnancy assessment clinics across Ontario, such as the program at the North York General Hospital. These clinics are for women who are miscarrying or are experiencing pregnancy complications under 20 weeks' gestation. Sadly, miscarriages are a very common occurrence. Sources vary, but many estimate that one in four pregnancies end in miscarriage.

No woman should have to miscarry in an emergency room, where there is little privacy and long wait times. These clinics should be open seven days a week to provide women with timely care and follow-up.

With our first pregnancy, which ended in a miscarriage, we went for our dating ultrasound at 10 weeks. We found out that our baby had no heartbeat. We were told to go to our family doctor. It took four days' further referral to an obstetrician, where we were told that we had two options: I was able to take medication to start the miscarriage, or go to the labour and delivery unit for a medical procedure. There was no literature made available to me, nothing about support or counselling. We went home and I took the medication. Although not as strenuous as labour at term, it was real labour, complete with a full day of contractions, all at home with only family around and no medical support. Based on my experience, I am recommending that funding be put into place for early pregnancy assessment clinics across Ontario.

My second recommendation is that every community in Ontario should have access to a perinatal hospice program. Unfortunately, there are only a handful of perinatal hospice programs in Canada.

Perinatal hospice is care that is offered by a pediatric palliative care specialist in conjunction with an obstetrical team and other pediatric teams. It includes the preparation of a specialized birth plan that outlines choices for care received during pregnancy and support in the labour, delivery and beyond. It also allows parents and family members to explore choices and life issues as well as prepare for precious time spent with baby, and offers ongoing support for the family through counselling. Roger's House in Ottawa also offers counselling for women who have experienced a stillbirth after 20 weeks or for families who have decided to choose an elective termination.

Perinatal hospice should be introduced to families at the same time as the option of elective termination.

Roger's House in Ottawa is an amazing resource for our community, and all communities in Ontario would benefit from perinatal hospice programs.

In my husband's words, if you asked, "Would we do it again," we would both say yes. The time that we had with Aaron was amazing and precious. All the battles that we fought were worth it. It would have been logistically easier to end his pregnancy early, but that was not the decision for us. That decision may be different for other people, but we feel that we could make no other decision. Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you.

Ms. Fife.

Ms. Catherine Fife: Thank you very much, Rachel, for coming in and for sharing your story. It takes a lot of courage. I know I speak on behalf all the members: We do appreciate it.

It is frustrating, though—and I'm sure it's frustrating, because for four years I've been on this committee, some others longer, and we continue to hear painful stories, unnecessarily painful stories, of women who experience very complicated pregnancies. The system, which is growing and growing without places like Roger's House—Lisa has told me there are only two such places in Ontario. So your recommendation of having an early pregnancy assessment clinic in conjunction with specialized care that deals with palliative issues, and has midwives very much attached to that—because you've had this personal experience, if you were to design it in a perfect world, can you just share what that would look like?

1500

Ms. Rachel Samulack: I have two different examples—my career as a research librarian, as you may have guessed.

There's an early pregnancy clinic at Mount Sinai. These are separate from the perinatal hospice programs. This clinic is designed for women who are under 12 weeks. I would propose that it actually go to 20 weeks. There's one at the Southlake Regional Health Centre in Newmarket, as well. They are nurse-run clinics that help women through their early pregnancy complications. The nurse is the one who does the assessment. It doesn't cost as much as having a gynecologist or an obstetrician run the clinic. They consult, review and discuss the concerns, and they also seek advice with a physician when it's necessary. All options are provided to the patient, and the patient is encouraged to follow up with the clinic afterwards. There's a referral process through your family doctor, your midwife or from the ER. If the program is set up at your local hospital or it's an external clinic, there's a referral process.

At the BC women's health centre, it's up to 20 weeks as well. They provide care, and their clinic is staffed by nurses and a gynecologist, Monday to Friday, 8 to 4 p.m. They seek patients within two business days of the receipt of referral. It's not a walk-in service, but you do get that referral and they help manage things, like the medication that I needed to take. They would have

helped if you needed a D&C. I have a co-worker who lost four pregnancies and required D&C surgery every time. She had to wait five days to get into the labour and delivery unit to have this operation performed with every pregnancy. Having these clinics would actually be a way to expedite that system. If they're in place and you need that surgery, at least you can get a referral and go directly to the hospital instead of waiting.

Ms. Catherine Fife: It's interesting because Mike Colle—this was his private member's bill. There is a genuine interest in creating more compassionate care, but there are obviously some obstacles around resourcing it. So you've come to the right place. We're going to take your recommendations. The Mount Sinai model is in the presentation, right?

Ms. Rachel Samulack: Yes.

Ms. Catherine Fife: Thank you very much for coming in. I'm very happy that you had those 100 minutes.

Ms. Rachel Samulack: Me too. My husband, I should mention, is a nursing student and completed his placement in the nursing unit six days before Aaron was born.

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. Samulack, for sharing with us. It touched everybody, and you can rest assured that everybody will be advocating for improvements to the system. Please leave your written submission with our Clerk.

CHAMPLAIN REGION FAMILY COUNCIL NETWORK

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Champlain Region Family Council Network. Good afternoon.

Ms. Grace Welch: Good afternoon.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, which will be followed by five minutes of questions from the Liberal caucus. Please begin by stating your name for the official record.

Ms. Grace Welch: My name is Grace Welch. I'm chair of the advocacy committee of the Champlain Region Family Council Network. I'm here with my colleague Doreen Rocque, who is the chair of our network.

First of all, I'd like to thank you for the opportunity to speak to you today about issues critical to long-term care in this region and in the province. Our earlier speaker spoke about the very beginning of life. We're talking now for those who are near the end of their life.

We're a network of volunteers representing family members and friends in 60 long-term-care homes in the Champlain region. Family councils were established under the Ontario long-term-care act to allow family and friends to advocate on behalf of their loved ones in long-term care.

We are here today because we want our loved ones to have quality care in a safe environment where they are treated with dignity and compassion. The recommendations that we make today are based on first-hand ob-

servations and experience in long-term-care homes, combined with a review of government papers, research reports, and studies of care for seniors. We're here to speak for the many residents who don't have a voice and can't speak for themselves.

We have identified three priorities—I think you've got our paper. They are: improving care, ending violence in long-term care, and better capacity planning. Essentially, these are the same priorities I brought to you last year, but nothing has changed in the period of time since I was last here.

When we talk to families of residents, their number one concern is ensuring that their loved ones receive quality care. "Quality care" means there need to be more front-line staff, which means more nurses and more PSWs.

Funding for long-term care has failed to recognize that the nature of long-term care has changed considerably in the last decade. As someone who has been visiting long-term-care homes for nine years, I can attest to that. They are now essentially chronic care hospitals.

The expansion of home support in Ontario—which is a good thing—combined with the prevalence of retirement homes and stricter admission policies for long-term care, means the elderly only go to long-term care when they are older, frailer and have multiple medical conditions that can no longer be managed in a home environment. What is probably most challenging for the long-term-care sector is the number of residents with Alzheimer's, estimated at between 60% and 80% of the total population. Many homes have actually set up special units for their Alzheimer's patients who wander or have responsive behaviours, but no extra funding is provided for staffing for these units.

Most residents now need help with all aspects of daily living: dressing, feeding and even toileting. I serve lunch on Wednesdays at a long-term care here, and I was looking: Out of the residents at the unit, 27 people, half of them are in wheelchairs and have to be brought to the dining room to be fed, and more than a quarter of them—about a third, actually—have to be fed by the nursing staff. One estimate says that about 33% of all residents are totally dependent on staff. At the same time, many long-term-care homes are now providing services that once were confined to hospitals, such as peritoneal dialysis and IV therapy.

Coupled with the increase in resident care requirements, the reporting requirements required by the province have become more complex and demanding. Less than half of the average workday of a personal support worker is spent on direct care for residents. It is said that Ontario has one of the most highly regulated long-term-care sectors in Canada, while being one of the lowest-funded. Figures from the Ministry of Health and Long-Term Care show residents receive about 3.4 hours of care per day, well below the four hours of direct care recommended by a number of research studies in Canada and the United States. We're not the only group asking for 4.0 hours; there's a bill now, a private member's bill, Bill 33, asking for four hours.

The number of stakeholders interested in seeing a minimum standard set continues to increase. These include the Ontario Association of Non-Profit Homes and Services for Seniors, the Registered Nurses' Association of Ontario, the Ontario Council of Hospital Unions, and the Ontario Health Coalition.

Most recently, a multinational, multi-institutional study, led by Pat Armstrong, who is a distinguished research professor from York—I'm quoting her. She "saw plenty of evidence to support the conclusion that direct care staffing should be set at a minimum of 4.1 hours per resident per day." Research shows that lower staffing levels are associated with higher levels of aggression, more falls, more pressure ulcers, increased incontinence and use of restraints.

As we noted in our previous presentation, staff in long-term care are stretched to the limit. There are many dedicated individuals in the long-term-care sector, but they are frustrated, because they cannot provide the care that they know the residents need.

Those of us who are regularly visiting long-term-care homes see the impact of insufficient staffing: requests for toileting ignored; residents unfed or having food shovelled into their mouths while the overworked care worker tries to feed multiple residents; and staff so harried that they don't even have time to just have a brief social interaction with the residents.

We are convinced that the only way to ensure the government funding goes directly to personal care for long-term-care residents is to have a legislated minimum-care standard that meets or exceeds those recommended in current research, which is four hours, and that standard needs to be continuously reviewed and assessed against care requirements.

1510

We also are recommending that the Ministry of Health and Long-Term Care work with stakeholders to identify ways to reduce the burden of reporting, so that more long-term-care resources are committed to personal care. We know that statistics are good—we have to monitor quality—but at what point are we taking away from care for our loved ones?

When we talk about care, we're also looking at improvements in the raw food budget. We're asking that it be increased in recognition of the important role that food plays in the physical and emotional well-being of long-term-care residents.

Long-term-care homes only receive \$8.03 per day to feed each resident three meals a day and snacks. It also includes specialized meals for cultural and medical reasons, nutritional supplements, and nutrition delivered via feeding tubes. The food allocation has fallen very short of inflation, so we are asking, as OANHSS, that there be an increase in the daily food budget of 62 cents per day.

Our second priority is ending violence in long-term care. Family members are very concerned about the significant increase in aggressive behaviours in long-term-care homes across the province. As a measure of the

increase, the Geriatric and Long-Term-Care Review Committee of the Ontario coroner's office reported that there were 25 homicides in long-term-care homes between 2001 and 2011, but in the last three years, there have been 21 homicide deaths, and those are not including the ones that were recently reported, by the nurse in Woodstock.

Roger Skinner, the supervising coroner for the 2015 coroner's report, indicates that these deaths are just the tip of the iceberg. I'm sorry, I have to say this: Imagine what the public outcry would be if 21 toddlers died while in daycare.

Also, much of the aggression is a result of the significant percentage of residents who suffer from dementia. As I noted, it's between 60% and 80% of all residents now. They estimate that 46% of all long-term-care residents exhibit some level of aggressive behaviour, with nearly 10% exhibiting severe levels of aggression.

Some of this is that the closure of mental health facilities has contributed to some of the violence as well. We were heartened to see the Ombudsman's report, where they are recommending that adults with developmental disabilities be moved to more appropriate housing, rather than using long-term care as the last resort. We're encouraged that the Minister of Community and Social Services has accepted the recommendations.

As much as we're concerned about our loved ones in long-term care, we're also concerned about the staff who care for them. A York University study found that Canadian personal support workers are more than seven times more likely to experience violence on the job compared with their counterparts in Nordic countries.

We're asking that we have more behavioural support units. We currently have six across the province, although I've heard that the one in our LHIN is closing, so that means there will be five. We're asking that that be moved to 18. We are also asking for funding that would allow for there to be a behavioural supports team in every long-term-care home.

We also would like to see more specialized training for front-line staff, to help them deal with responsive behaviours for residents with dementia, and we also recommend that funding should be provided to backfill personnel, so that direct care hours are not reduced.

Lastly in this category, we support the 2016 recommendation of the Geriatric and Long-Term-Care Review Committee that the Ministry of Health and Long-Term Care immediately convene a widely representative, multi-stakeholder expert panel to develop a concrete plan to address resident-to-resident violence in long-term-care homes.

Our last priority is better capacity planning. Last year, the Minister of Health and Long-Term Care announced that they were doing a capacity plan. It's a year later, and we've seen nothing. We have over 24,000 residents in Ontario waiting for a long-term-care bed, and that number is rising as each day passes. Frail seniors with complex care needs wait years for a bed, creating pressure on families and home support systems that are already stretched to the limit.

Caregiver burnout is becoming more common, with some family members becoming so desperate for a long-term-care bed that they're bringing their loved ones to hospital and abandoning them there.

The Chair (Mr. Peter Z. Milczyn): I will cut you off there. We already gave you an extra minute.

Ms. Grace Welch: Oh, I didn't realize that. Sorry, I missed your timing.

The Chair (Mr. Peter Z. Milczyn): That's all right. This round of questions is with the government side. Mr. Baker.

Mr. Yvan Baker: Thanks very much for coming in and for your presentation. As you were speaking, I was reading your submission. Your presentation was very thoughtfully put together, so thank you for that and for all you—

Ms. Grace Welch: It's another research librarian sitting in front of you.

Mr. Yvan Baker: Is that right?

Ms. Grace Welch: Yes.

Mr. Yvan Baker: Well, now I know who to go to for presentation preparation. You did a wonderful job, so thank you for that, and thank you for your advocacy. I know that this is something that you do on your own time because you believe in something that you're passionate about. So thank you for that.

Ms. Grace Welch: You're welcome.

Mr. Yvan Baker: I represent a riding that has one of the highest percentages of seniors in the country. We've put a number of long-term-care homes in the riding, so I've actually become quite familiar over the last two and a half years, since being elected, with the issues that you've talked about.

My predecessor was somebody by the name of Donna Cansfield. She was an MPP there for many years—since 2003, prior to my election. Some of the members who have been here for a number of years will know that she was, certainly when she was in office, and continues to be an advocate for some of the things that you're talking about, to improve the quality of care in our long-term-care homes.

I'm very receptive to the challenges that you've identified here and to the urgency of addressing some of those things.

I know you have it in your presentation, but one of the things that I wanted to highlight, in light of what I just said, is that I was pleased that the Premier has recognized the importance of some of the issues that you've raised. I know we have a lot more work to do—I've heard that from you. But just in terms of what she has put into the mandate letter for the Minister of Health—I know you have that in your presentation, but I'll just read it for the record, if that's okay.

Ms. Grace Welch: Sure. I appreciate that.

Mr. Yvan Baker: This is quoting from the mandate letter: "Improving the safety and quality of life for those living in long-term-care homes today and in the future, by considering necessary investments, including staffing, and by advancing the Enhanced Long-Term Care Home Renewal Strategy as quickly as possible and ultimately

eliminating all four bed wards in Ontario's long-term-care homes."

One of the things that I often ask people who have come here, who are advocating, is to make this real for us and for the people who are watching at home or who might be reading this after the fact. If everyone had the level of care that you're talking about, if we were able to make those investments in Behavioural Supports Ontario that we've made—I was at an announcement with the minister when we made a further investment, but I've heard that you would like to see more. If that were to happen, what do you think the result would be on the ground? How would this impact people?

Ms. Grace Welch: If we increase the staffing, we're talking about 30 minutes of care a day for each resident. It would mean the few minutes that they would take to talk to the resident, to just make sure that they had a few minutes extra, so they're not shovelling the food in.

I know that many times, I'm looking for staff after lunch. I've seen people who are about to fall—I'm trying to find staff to help this person—or they have an urgent request. With only two people to bring them to the bathroom or put them to bed, there's nobody on the floor. That's one of the changes that we'd see: There would probably be an extra staff person around.

Mr. Yvan Baker: I think the average is—I don't know if you referred to it, or if I just know it from my own work, so forgive me—we're at around 3.4 hours on average. Is that right?

Ms. Grace Welch: Yes.

Mr. Yvan Baker: You may have mentioned that in your presentation. Going from 3.4 to four is what you're asking. It sounds like you're saying that would make a substantial difference. Am I hearing that right?

Ms. Grace Welch: Certainly, there has been a lot of study on this topic. They say that it really does make a difference in terms of prevention of falls. They've got more staff, so they're moving people more, so there are fewer pressure ulcers. Certainly, the studies seem to indicate that.

I made reference to Pat Armstrong's report, which was funded by SSHRC. They looked at 10 different countries, and that's what their recommendation is. So they've seen it. They've gone in. They looked at the best homes, they looked at bad homes and they looked at good homes, and they identified what the differences were, and one of the most significant differences was staffing level.

1520

Mr. Yvan Baker: Okay. Thank you very much. Thank you for your time.

The Chair (Mr. Peter Z. Milczyn): If there's something further you'd like to provide in writing to the committee, you can do so until 5 p.m. on January 20.

Ms. Grace Welch: Thank you so much.

IMPERIAL TOBACCO CANADA LTD.

The Chair (Mr. Peter Z. Milczyn): Our next witness is Imperial Tobacco Canada. Good afternoon, sir.

Mr. Eric Gagnon: Good afternoon.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, which will be followed by five minutes of questions from the Progressive Conservative caucus. If you could please state your name for the official record as you begin.

Mr. Eric Gagnon: My name is Eric Gagnon. I'm head of external and corporate affairs for Imperial Tobacco Canada. Good afternoon, and thank you for the opportunity to be here today.

Imperial Tobacco is the largest tobacco company in Canada, and I specify the word "legal," because there is a thriving illegal tobacco trade in Canada and here in Ontario particularly. My comments today will focus on the size and scope of the problem in Ontario, and our recommendations to address it.

To put things in perspective, I'd just like to start by stating that the RCMP says that there are 50 illegal manufacturing operations on Canadian soil, 350 smoke shacks dealing illegal tobacco and 175 organized crime groups dealing illegal tobacco in this country. According to the data released by the Ontario Convenience Stores Association last month, the illegal tobacco rate in Ontario is 33%. This is by far the highest rate in the country, and it represents an increase of 8% since the last OCSA survey in 2015. This rate is also consistent with a 2015 study by KPMG, which found that Ontario had the second-highest illegal tobacco rate in the Americas, at 31%, trailing only Panama and El Salvador.

The regional trends are stark. For example, the OCSA found that the illegal tobacco rate in northern Ontario is 54%, with five cities having rates over 50%: Sudbury, Huntsville, Orillia, North Bay and Sault Ste. Marie. The rate in Sault Ste. Marie was a staggering 75%. The problem is also significant in eastern Ontario, with Kingston and Belleville both reporting rates of over 45%. The rates in the GTA and southwest Ontario, at 21% and 26% respectively, may look good in comparison, but those rates are still higher than in any other provinces.

The committee should care about this for at least three reasons. First, illegal tobacco is robbing your government of upwards of \$800 million in lost tobacco tax revenue annually. Second, Canada's illegal tobacco trade is run by organized crime groups, and I have shared with the committee a document that shows the very clear links between illegal tobacco and other criminal pursuits, including drug trafficking and Canada's opioid crisis. Third, illegal tobacco undermines virtually all government efforts at tobacco control, including sales to youth.

This is a brief overview of the problem. Now let me turn to the solutions. There are four pillars to a successful illegal-tobacco reduction strategy. Fortunately, Ontario has taken action on a couple of these, but with the illegal tobacco rates increasing in the province, clearly more needs to be done.

The first pillar is to avoid tax shocks with increased amounts for legal tobacco products. Ontario took action here in the last budget and introduced a five-year plan for moderate annual tobacco tax increases on June 1 of each

year. Given the already high rate of illegal tobacco in Ontario, that model should remain in place.

The second pillar is to invest in enforcement to curb illegal tobacco trafficking across the province. Ontario has taken an initial step here with the creation of a dedicated illegal tobacco enforcement unit within the OPP, but more could be done. For example, the OPP unit has roughly \$1 million in funding, which is the same amount that New Brunswick has invested in a similar unit. In contrast, Quebec invests around \$18 million annually in illegal tobacco enforcement, and the government credits that with an \$180-million increase in tobacco tax revenue, so a 10-to-1 return on investment for its 2014-15 budget year.

The third pillar is to introduce legislation to give law enforcement more powers to deal with illegal tobacco. The model here is Quebec's Bill 59, which was passed in 2009. The powers of this legislation are detailed in our handout.

I just wanted to add that earlier today, you had somebody from the Canadian Cancer Society here, who endorsed some of the aspects of Bill 59 as it relates to law enforcement revenues from seizures. I'd like to add that when the Canadian Cancer Society and my company agree on something, I think the government should act on it.

We cite Quebec a lot because it's a model that worked. Quebec's legislative changes and its investment in enforcement have helped the province reduce its illegal tobacco rate from 40% to roughly 15%, despite having almost identical market conditions as Ontario. You do not have to reinvent the wheel to have the same success here. Quebec provides an off-the-shelf solution.

However, there is one caveat to that. Ontario is the only province that still has tobacco farming, and unfortunately, the oversight system for that has broken down. We believe that there is enough raw leaf tobacco being diverted to illegal cigarette factories in this province to supply the entire Ontario contraband market today. Therefore, Ontario needs to do a better job with raw leaf oversight and, to give credit where due, we continue to have productive discussions with officials within the Ministry of Finance on that issue. Ultimately, however, political will is needed to ensure that enough resources are provided to enforce the law.

Finally, the fourth pillar is to adopt a whole-of-government approach to tobacco policy. With a third of its market being illegal, the government has to recognize that tobacco control policies cannot be made in a vacuum and must take contraband realities into account. For example, policies that make sense on paper, like banning menthol cigarettes, are pointless when there are twice as many illegal menthol brands available in Canada as there are legal ones. In effect, banning menthol cigarettes simply hands a monopoly on these products to the illegal operators, which is ironic since we have government talking about legalization of marijuana to get it out of the hands of organized crime groups.

Ontario should also be gravely concerned about the federal government's plan to implement plain packaging

of tobacco products. This is a reckless policy in a market that is already so permeated by illegal tobacco. Australia remains the only country with plain packaging fully in effect, and their illegal tobacco rates increased by 20% in the years following its introduction. Australia has no domestic illegal manufacturing. Canada, on the other hand, as I said earlier, has 50 or more illegal cigarette factories, with half of those in Ontario alone. If this policy is implemented fully in Canada, we expect illegal tobacco rates to exceed the past peak in this province, which was roughly 50% of the market in 2008.

To recap, we have four recommendations: first, maintain the tobacco tax model introduced in the last budget; second, increase investment in illegal tobacco enforcement to at least the level found in Quebec; third, adopt legislation giving all peace officers greater enforcement powers around illegal tobacco and improve oversight of tobacco farming, backed up in both cases with the political will to exercise these powers; and finally, adopt a whole-of-government approach to tobacco policy.

We thank the government for the measures put in place already, but as I stated earlier, the increase in illegal tobacco clearly shows that much more needs to be done.

Thank you again to the committee, and I look forward to your questions.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Gagnon. This round begins with Mr. Barrett.

Mr. Toby Barrett: Thank you, Imperial, for all of this information. It's become a very complex problem year after year.

I look at your map of Canada and Ontario and the linkages in the States and South America. I represent Haldimand-Norfolk. I represent most of the tobacco farmers in Canada, and have done for the last 21 years.

Not last summer, the summer before, just to paint a picture of what I think is even more significant than what you're talking about as far as Ontario's reputation within the international underground economy, I received a visit from a journalist from Reforma newspaper. We sat down and did an interview, and she asked me, "Why is all your tobacco coming to Mexico?" We knew that the state government had just lowered taxes, which is a guarantee—no, it just increased taxes, which is a gift to organized crime; it always is.

I had a film crew come up from Costa Rica to my little constituency office in Simcoe to interview me about their country being flooded by Norfolk county tobacco. A film crew came up to my little office—I mean, Toronto film crews don't come to my office—from Guatemala to interview me, and also a film crew from Mexico. Just a few weeks ago, a film crew was coming up again from Costa Rica to Queen's Park to do interviews on local Ontario tobacco being shipped down by the container load. For some reason, they were stopped at the border. They didn't get their visas; I don't know what's going on there. I just tell that story to indicate how significant this is. Ontario now has an international reputation with respect to illegal tobacco. It is lucrative.

1530

We know tobacco is being shipped down. What comes back up? We know the organized crime groups that are manipulating native communities in Ontario. What are we dealing with in these countries? What kind of organized crime groups do they have down there? Can you expand on that a little bit?

Mr. Eric Gagnon: Obviously, I'm not an expert in what happens in other markets or other countries. I can tell you that what we're seeing is that the organized crime group that's dealing contraband tobacco in Canada is very well organized. Their supply chain is fully operating, and they have the ability to distribute their products not just in Canada, not just in Ontario, but anywhere in the Americas and in other parts of the world.

I think one of the challenges we're faced with is, there seems to be a misconception of, if the government acts on the contraband problem, it attacks the First Nations community, which is not the case. Like I said earlier, 175 organized crime groups are dealing illegal tobacco. Quebec has put in place a system that is not going after First Nations communities—because the products are leaving the First Nations reserves and they're making their way through Canada and through the provinces and the cities. Addressing the problem is not addressing the First Nations issues, but it's addressing the supply chain of the illegal product.

Mr. Toby Barrett: I just find it passing strange, and you seem to indicate in your brief that we have a modicum of legislation in Ontario now—not nearly to the extent of Quebec—but we don't seem to have the enforcement. I see that locally, maybe because we're not organized: the reluctance to take on organized crime that's involved not only in tobacco, but of course money. Money changes hands. There's the laundering of money in so many sophisticated ways. Guns are involved. Violence is involved. The groups that are involved in a lot of this low-hanging fruit sell guns. They're involved in other drugs, of course, and the trafficking of people.

Mr. Eric Gagnon: I've shared with the committee about Project Mygale that went on a couple of months ago. You can clearly see that this is not mom-and-pop shops dealing illegal tobacco. This is well-funded, well-organized crime groups. The RCMP has found that some of the money related to illegal tobacco is funding al Qaeda, funding terrorism. So it is a big problem.

To go back to your point about Ontario, I stated in my comments that I think there needs to be the political will here to really address the problem. Bill 59 in Quebec is a model that works, and we'll continue to advocate for that model to be introduced. Quebec went from 40% to 15%. It's not the silver bullet, but obviously it would help a lot in Ontario, to decrease.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Gagnon. That's all the time for today. If there is something additional you'd like to submit to the committee in writing, you have until 5 p.m. on January 20 to do so.

Mr. Eric Gagnon: Thank you.

ROBERTS/SMART CENTRE

The Chair (Mr. Peter Z. Milczyn): Our final witness of the day is Roberts/Smart Centre. Good afternoon. You have up to 10 minutes for your presentation, and that will be followed by five minutes of questions from the New Democratic caucus. Please state your names for the official record as you begin.

Ms. Vanessa Woods: My name is Vanessa Woods. I'm the current chair of the voluntary board of the Roberts/Smart Centre. This is Kathie Lynas, who is a past chair of the board, and Kathy Neff, who is the current executive director of the centre.

Again, thank you very much for providing us with this opportunity to appear in front of the committee to participate in the pre-budget consultations.

Essentially, our overarching message for today is that investing more funds in community-based children's mental health is the right course of action for Ontario. It will improve the lives of thousands of children and youth and their families who are struggling to get high-quality mental health treatment, and it will save money for the Ontario government.

Funding shortfalls have affected the Roberts/Smart Centre's delivery of service for many years, and we have witnessed the impact of chronic underfunding in our partner agencies in Ottawa and the eastern Ontario region. Today, we will talk briefly about our experience and how it exemplifies the challenges of the mental health system across Ontario.

First of all, a brief overview of the Roberts/Smart Centre agency and its role within the community children's mental health system. The Roberts/Smart Centre has been delivering services since 1973 and is accredited by CMHO, Children's Mental Health Ontario. We have developed expertise in providing residential treatment and other services for adolescents who have severe behavioural and emotional problems and for whom other interventions and organizations have failed to provide them with the treatment that they require. Our youth are typically between the ages of 12 and 18.

Of the 44 children that we served in residential care in this past year, 93% of these individuals' needs could not be met by any other placement in the province. Our residential treatment programs include the secure treatment program, which provides treatment for adolescents with a mental disorder who have demonstrated that they are a danger to themselves or to others and that they require services in a high-secure facility. Admission to this program is determined by the legislation within the Child and Family Services Act, and we are the only agency delivering this program in eastern Ontario and one of three in the entire province of Ontario. We take in children from across the province.

Our mental health residential programs: We operate two residences for youth with mental health concerns. Here, we provide care and services for adolescents whose difficulties mean that they require 24-hour support and supervision. We also provide some community programs for youth with a severe mental illness.

Why are these services so important to our community? One of the major reasons is the major public health crisis we are facing in terms of youth suicide. Many of the children and youth who come into our programs have attempted to complete suicide. Of the 44 clients served in residential services in this past year, the average number of times any one of our youth has tried to take his or her life is six. The maximum number of attempts by one individual was 55.

Our staff has the responsibility of keeping these young people safe, to provide them from continuing to attempt to harm themselves or to take their lives while in our care. At the same time, we are seeking to provide treatment to help them get well and to manage their symptoms of mental health. This requires us to provide one-on-one staffing; that means one staff member providing constant supervision for any one child. However, the funding that we are provided frequently does not cover such one-to-one staffing. We provide it anyway because it is in the best needs of the people that we serve and it is crucial. But at the same time, it contributes to our budget deficits.

Ms. Kathie Lynas: I'm Kathie Lynas, and I'm past chair of the Roberts/Smart Centre board.

Another reason that community-based programs such as ours are so important is that hospitals are experiencing significant increases in the number of children arriving on their doorsteps for mental health treatment. As we've heard from Children's Mental Health Ontario, since 2006-07, hospital emergency department admissions for children and youth with mental illness have increased by 54%, and in-patient admissions have gone up by 60%.

Kids and families end up going to hospital emergency rooms because they can't get therapy in the community, but hospitals aren't set up to provide the long-term therapy that is needed to help them. Hospitals frequently have to keep the children in their care because there are no viable community options.

In terms of the Roberts/Smart Centre, of the 44 clients in the past fiscal year, 32 had spent at least some period of time in a hospital psychiatric ward, 13 clients spent over one month in a ward, and four clients were in the hospital for over five months.

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The Roberts/Smart Centre is able to be a therapeutic and safe place that hospitals can release their clients to, and that allows us to provide these clients with therapeutic services in a less institutionalized setting.

To briefly talk about the economic impact, our 44 clients spent a total of 1,285 days in the psychiatric ward before they were admitted to see us. Each of those days in the hospital cost over \$2,300, a total cost of just over \$3 million. By contrast, each day in the RSC costs \$431. Therefore, each day in the hospital is approximately five and a half times as expensive. If each of these days that they spent in the psychiatric ward had been spent in the community health centre, the Roberts/Smart Centre, the cost would have been half a million dollars. That compares to over \$3 million.

CMHO has calculated that if you extrapolate these kinds of numbers province-wide, investing in the right treatment in children's mental health centres in communities will save the government \$145 million a year in hospital costs.

Back to Vanessa.

Ms. Vanessa Woods: The Roberts/Smart Centre, like other children's mental health agencies within Ontario, is constantly facing struggles to provide services within its budget. Every year, our costs rise. Consider the fact that we operate a residential program. We are constantly dealing with spending on everything from food to heat to hydro, on top of the care required for these young people.

As we mentioned, the severity of mental illness amongst the population we serve is increasing, and more and more we are called upon to provide one-on-one staffing outside of our budget allocations. Again turning to the CMHO data, since 1992, our agencies have received base funding increases of only 8%, while inflation has risen to nearly 53%.

We would like to extend our appreciation to the officials of the eastern Ontario regional office within the Ministry of Children and Youth Services, who have been working with us to find solutions to our budget challenges and to develop models that will put us on the path to financial sustainability. These officials, along with our community partners, recognize the importance of the Roberts/Smart Centre as a player within the larger children's mental health system. However, long-term solutions can only be realized if significant investments are made in community-based children's mental health centres.

On behalf of all board members of the Roberts/Smart Centre, we join with CMHO in its call for provincial government action and we urge you to increase funding by \$80 million a year to ensure our children and youth receive the services they need to overcome their mental health challenges and to fulfill their potential.

Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation. Ms. Fife?

Ms. Catherine Fife: Thank you for coming in and essentially costing out the life of a child, but also making a very compelling case for us. It's not the first time you've made this case, and I think that's the frustrating piece at this stage in the game.

Now we have the Auditor General's report that just came out on November 30, where we are seeing exactly as you have described locally. The children with mental health in our emergency rooms have gone up by 50%, and yet there has been no corresponding critical thinking or strategic plan to deal with that. You have given this committee a strategy and a plan, and if the government is listening, as they should, they need to honour the commitment to community-based children's mental health.

Quite honestly, my colleague also tells me that you have some capital issues as well, your space issues. Did you want to talk about that a little bit?

Ms. Lisa MacLeod: You deserve a new space—a brand new space.

Ms. Catherine Fife: I think, given the work that you are doing, having the appropriate capital funding to have the space to actually house a residential program is very important. For a local provider in my community, their suicide prevention model is being funded by a local furniture store, and while that is great, it is not sustainable and it is not leadership on children's mental health.

So please talk about your capital issues as to space.

Ms. Katherine Neff: We are currently looking at relocating our secure treatment program, which is the space in question. It is a space that was converted quite a number of years ago, back in the early 1980s, from an open residential setting to a secure setting. We've made adaptations over time, as our needs have expanded and increased, but it was never a building designed to work with the type of children who require secure treatment, and we are constantly faced with the challenge of how to manage up to eight very ill children in a space that was designed to be basically an open-door group home.

That, in a nutshell, is what we need. We've had some very preliminary discussions with the regional office on how to move forward with this, and they're doing some preliminary work with some architects as well. We will also begin to have some discussions with the Royal Ottawa hospital, which is where we are currently located, on their grounds.

Ms. Catherine Fife: But the regional offices need provincial funding, unless we're just going to move the pieces around the chessboard, right? There has to be significant investment in children's mental health, and there is a compelling economic case to do so, aside from the compassionate and ethical considerations. Do you agree?

Ms. Katherine Neff: Absolutely, yes.

Ms. Catherine Fife: Also, the suicide prevention piece—I think that advocates and activists have started just throwing every argument at the government. We've heard, actually, in the evidence-based report that we received, that the cost of a suicide can range from \$345,000 to almost \$7 million—for one suicide. The numbers do not lie here, right?

Ms. Katherine Neff: They don't lie.

Ms. Catherine Fife: So this committee has to make a very strong recommendation to the government—all of us around this table—that the money that has been promised for children's mental health needs to go to children's mental health in the community, to keep those kids out of the emergency room.

I want to thank you for your report. I will carry it around with me, as I'm sure my colleague will do as well. Sometimes groups come here and think, "Okay, this isn't going to make a difference," but it does make a difference, especially when you bring evidence-based approaches to us as well. So thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you for your presentation. If there's something additional in

writing that you'd like to submit to us, you have until 5 p.m. on January 20.

Ms. Vanessa Woods: Thank you very much.

Ms. Katherine Neff: Thank you.

The Chair (Mr. Peter Z. Milczyn): That concludes our witnesses for today. However, before we recess, I would just like to note for the record that today is Ms. Fife's last day as a permanent member of this committee. I just wanted to say that in my time on this committee, I've seen her to be extremely well prepared and always very engaged, and she has fulfilled her role with great integrity. We will miss you.

Applause.

Ms. Catherine Fife: Thank you very much, Chair. In turn, I would also like to extend my thanks to the interpreters and the broadcasting crew. Research has been amazing; thank you very much, Susan. The Clerk's office takes very good care of us. Let's be honest: We're not very easy people to manage. And also, I have appreciated Hansard on many occasions as well. Thank you for the support, and thank you for the kind words, Chair.

The Chair (Mr. Peter Z. Milczyn): Thank you.

The committee stands adjourned until 9 a.m., Thursday, December 15, in Windsor.

The committee adjourned at 1548.

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Standing Committee on Finance and Economic Affairs

Pre-budget consultations

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STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Thursday 15 December 2016

Jeudi 15 décembre 2016

The committee met at 0904 in the Holiday Inn and Suites Ambassador Bridge, Windsor.

PRE-BUDGET CONSULTATIONS

The Chair (Mr. Peter Z. Milczyn): Good morning. The Standing Committee on Finance and Economic Affairs is reconvening for its pre-budget consultations, this morning in the wonderful city of Windsor. Witnesses will have up to 10 minutes for their presentations. Following will be five minutes of questions from each caucus on a rotational basis.

MS. SJANN JOHNSON

The Chair (Mr. Peter Z. Milczyn): Our first witness this morning is Sjann Loree Johnson. Good morning.

Ms. Sjann Johnson: Good morning, committee members.

The Chair (Mr. Peter Z. Milczyn): Could you please state your name for the official record as you begin?

Ms. Sjann Johnson: My name is Sjann Johnson.

The Chair (Mr. Peter Z. Milczyn): Proceed.

Ms. Sjann Johnson: Good morning, committee members. I thank you for the work that you are doing here this morning and I appreciate the time that you have given me to speak to you here. As I said, my name is Sjann Johnson and I do live here in Windsor, in Percy Hatfield's riding.

I have managed type 1 diabetes since 1980. The Public Health Agency of Canada, in its 2014 update to Your Guide to Diabetes tells us that, "Diabetes is a chronic disease that results from the body's inability to sufficiently produce and/or properly use insulin, a hormone that regulates the way glucose (sugar) is stored and used in the body."

Type 1, or insulin-dependent diabetes, means that the body can no longer produce insulin. It usually develops in childhood or early adolescence, requires multiple daily injections of insulin to regulate insulin levels, blood sugar levels and leads to many complications, including heart disease, kidney disease, vision loss and lower limb amputation.

Non-insulin-dependent diabetes, or type 2, generally requires medication, weight and physical activity management, and in some cases does use insulin. Type 2 would be the most common kind of diabetes that most people would be aware of.

The third type is gestational diabetes. This occurs during pregnancy and can require insulin. It is extremely important to manage during pregnancy, as gestational diabetes can have complications for the baby, up to and including death of the baby.

The publication goes on to remind us that studies show managing glucose levels can substantially reduce the risk of diabetes complications. To further that goal, I am here to ask the committee to consider placing glucose sensors, or continuous glucose monitoring devices, under the Assistive Devices Program administered by the Ministry of Health and Long-Term Care. These have recently been covered for clients receiving ODSP benefits.

Glucose sensors are placed under the skin and send glucose levels directly to the pump every 10 minutes. This will alert the wearer if blood sugars are too high or low or change too fast. It can clearly show blood sugar trends that need to be adjusted in consultation with the diabetes educator and endocrinologist. Sensors help more accurately and safely monitor unfamiliar, unplanned meals, activity and/or exercise.

In my case, it's the unplanned activity or exercise that the sensors most help me with. My endocrinologist has noticed that there is an improvement in the month after I've used the sensor. One sensor lasts six days, and a box of five sensors is between \$350 and \$380 a box.

I will quote directly from the Canadian Journal of Diabetes in a 2013 publication: CGM, or continuous glucose monitoring, "captures and retains the data. In Canada, one real-time CGMS and two professional CGMSs are available. Real-time continuous glucose monitoring has consistently been shown to reduce A1C"—an A1C is a three-month blood test that shows what the blood sugars have been in the past three months—"in both adults and children with type 1 diabetes, and to reduce A1Cs in adults with type 2 diabetes. Real-time CGM has also been shown to reduce the time spent in hypoglycemia," or low blood sugar. "Professional CGM has been shown to reduce A1C in adults with both type 2 diabetes and in pregnant women with type 1 or type 2 diabetes.

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"Successful use of CGM is, unsurprisingly, dependent on adherence with using CGMS; the greater the time spent wearing the device, typically the better the A1C. Like SMBG, or self-monitoring blood glucose, CGM provides the best outcome if it is associated with struc-

tured educational and therapeutic programs. CGM is not a replacement for SMBG because SMBG is still required for calibration of the CGM device and, for real-time CGM, to confirm interstitial measurements prior to making therapeutic changes or treating suspected hypoglycemia.”

The Canadian Diabetes Association in January 2014 in its publication *The Ontario Diabetes Cost Model* stated, “Diabetes poses a heavy burden on Ontario’s health care system and economy—it is estimated to cost close to \$5.8 billion in 2014, with projected cost rising to \$7 billion by 2020; by 2033, these costs will climb to almost \$8.7 billion.”

The CDA policy backgrounder to *Diabetes: Canada at the Tipping Point—Charting a New Path* states, “Effective treatment of diabetes saves governments money. The DCM”—diabetes cost model—“indicates that 80% of all diabetes costs come from the complications associated with the disease, and not the treatment of the disease itself. So, even a small gain in the prevention or delay of secondary complications can provide huge savings.” Sensors can help achieve that goal.

According to CDA’s *The Cost of Diabetes in Ontario*, “The Ontario Diabetes Cost Model estimates that 1,169,000 people in Ontario have been diagnosed with either type 1 or type 2 diabetes in 2010—representing approximately 8.3% of the population. This number is expected to increase by 734,000” people “over the next decade to 1,903,000 or 11.9% of the population.”

I’ve had diabetes for 37 years. I’ve had excellent care throughout. In spite of that, my vision became impaired in 1998 and 1999 when I was 36 or 37 years old. That ended my ability to work as a library clerk and study political science, both of which I loved. I was fortunate enough to have worked and studied at the University of Windsor, where I received long-term disability benefits.

In 2000, a friend got me interested in trying the insulin pump. I had already lost one eye due to diabetes and I had hoped that this would maybe save the vision I had left. It was no sure bet. But after two or three weeks, my husband, my endocrinologist and I found it well worth the expense. We are very grateful to the Assistive Devices Program for providing both insulin pumps and insulin supplies. While the lost vision in my right eye and what remains in my left eye will never come back or improve, the vision I do have has remained basically stable thanks to the professionals in my life, the support at home, and the insulin pump.

Finally, no one will ever know, but I do believe that if I had been on pump technology even five years earlier, I might still be working and paying taxes. Sensors, in conjunction with insulin pumps and ongoing education and training with professionals, will help type 1 diabetics delay and minimize complications, continue to work longer, continue to pay taxes longer and be less of a burden on the health care system due to complications of diabetes.

Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. Johnson. This round of questions is to the government side. Mr. Baker?

Mr. Yvan Baker: Thanks very much for coming in, Ms. Johnson, and for sharing your story. It’s always particularly compelling when we hear from presenters who not only just advocate for a cause, but have really experienced and lived the issue that they’re advocating for. You’re a prime example of that, so thank you for that. My uncle has diabetes, so I have somewhat of an understanding of what people with diabetes go through and how difficult that is, so thank you for coming in and for advocating on this issue.

I represent a community called Etobicoke Centre, which is a suburb on the western side of the city of Toronto. In my particular community, we have one of the largest percentages of seniors of any riding in the country, so issues that touch seniors—health care is one of them, and of course diabetes is one of those as well—I hear about a lot. It’s definitely an important issue, so thank you for that.

I appreciate the input that you’ve provided to us, because I think what you’ve said was, “Look, here’s something that could help people.” But you also presented a case about how there’s actually a strong business case behind it. This is something that could actually help. This is an investment that makes good sense from a taxpayer perspective as well, from a fiscal perspective, because it could save money down the line. That’s something that we’ll all take back. We’ll have to look into that and look into that business case. But I really appreciate that input and will provide that input to the Minister of Health and his team.

One thing I wanted to flag was the insulin pumps that you referred to at one point during your presentation. I know your presentation was about sensors primarily, but my recollection is that the insulin pump was something that, back in the early to mid-2000s, people had to pay for in Ontario. I wasn’t elected then, so I’m not taking credit, but I know that the Liberal government of the day made that free of charge for everyone. That was, I gather, a step in the right direction in terms of what you’re talking about. Is that fair to say that?

Ms. Sjann Johnson: Oh, totally. When I was first trying the insulin pump, it was an out-of-pocket expense. The ADP, the Assistive Devices Program, didn’t come on stream until later on that year, I believe. But it was definitely worth every cent.

Because I’m on a fixed income, it certainly helps my husband and me, but the Assistive Devices Program helps children. This is a \$7,000 piece of equipment. It’s no cheap undertaking. At the point where I decided to try it, I didn’t think it would help.

Anyway, I don’t know if that answered your question, but yes, the ADP program is definitely—my best day on four injections a day surpasses my worst day on the pump. What I’m trying to say by that is that the pump has made so much difference in my diabetes management, and sensors can only help that.

Mr. Yvan Baker: I appreciate that. Thank you for sharing that.

Chair, what's my time?

The Chair (Mr. Peter Z. Milczyn): One and a half minutes.

Mr. Yvan Baker: One and a half minutes left, so maybe my last question to you would be: You've shared your personal story and why you think this makes sense from a taxpayer perspective, from a policy perspective. But could you just share for those folks who are watching now on TV or online, or just for those folks who are going to be reading the transcript of this later, or for those of us here who aren't as familiar—you talked about the pump. You talked about the sensors. Just talk about how these kinds of things could, you think, impact people's lives—not just yourself, but others.

Ms. Sjann Johnson: Oh, my goodness. If children had sensors to go along with the pumps—as I've stated, activity has always been my most problematic issue with managing my diabetes. A kid in hockey, a kid in soccer with the insulin pump and sensors can have so much more freedom to do that sport safely.

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Studying: A college student can do the all-nighters much more safely. People on lower income can continue to work much longer and much more safely. Those in service industry jobs: If they have a pump and a sensor, they can accommodate the different activities of their day. If there's a waitress and he or she is on their feet most of the day, but the weekends are different, the pump and sensor can help them do that much more safely. Again, going back to the waiter or waitress, their feet will be much safer for longer. It provides a way to study, to work and to enjoy life more.

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. Johnson. If you would like to submit your remarks in writing, you have until 5 p.m. on January 20 to provide them to the Clerk to be part of the official record.

Ms. Sjann Johnson: Thank you very much. Do I have the Clerk's address on my information sheet?

The Chair (Mr. Peter Z. Milczyn): We will get it to you.

Ms. Sjann Johnson: Thank you very much.

HORSEPLAYERS OF WINDSOR AND ESSEX COUNTY

The Chair (Mr. Peter Z. Milczyn): Our next witness is Mr. Wayne Craig. Good morning, sir. You have up to 10 minutes for your presentation. You'll have five minutes of questions from the Progressive Conservative caucus. If you could please state your name for the official record as you begin.

Mr. Wayne Craig: Wayne Craig. I represent the Horseplayers of Windsor and Essex County. I'm a member myself. I'm a horseplayer; I have been for 35 years. I don't do any other gambling. I don't do the lottery or the casino; I'm strictly just a horseplayer.

I'm asking the government to continue funding for horse racing in this area. We have a very rich history of horse racing in this area, not all harness. We've had thoroughbreds. Probably going back to the 1920s, we've had horse racing in this area.

Of particular note, in the 1920s, we had a classic horse race here in Windsor at the Devonshire Mall, out on Devonshire. That was the talk of horse racing North America-wide. It was the clash of Sir Barton and Man o' War, which was at the time very popular. It drew thousands and thousands of people, it filled every motel room in this city, especially with people from Detroit, which at that time had a population of three million. It was very, very well attended, and that started our history here. Unfortunately, the Canadian horse didn't make out so well in there, but that started our horse history here. So we'd like the committee and the government to continue the funding.

There is something I would like to address for the funding part that the former finance minister made a big deal out of, and that is that if the government gave money down here for horse racing, the government was concerned that it was all going over to our friends in Michigan. That was a red herring, because if anybody knows the history of horse racing in this area, you know that between Windsor and Michigan, between Ontario and Michigan, we would race in the fall and winter. In Hazel Park in Michigan, we'd race in the spring and summer. They would come over here in the winter and take our money, and we would go over there in the summer and fall and take their money. It was a reciprocal sort of thing. It certainly wasn't that all the money was going over there. The former finance minister made a big deal out of that; as well, a columnist from the Windsor Star made a big deal out of that. That should not have happened, because we deserve horse racing here, but when you perpetrate stories like that, it's not any good.

Not only that, but we've got classic hall-of-fame horsemen who come out this area, who started in this area—Bob McIntosh, Doug McIntosh; of course, Johnny Campbell, Bill Gale, and it just goes on and on and on. All these people either had starts at Windsor Raceway or raced at Windsor Raceway, so we have a very, very rich history of horse racing here and we'd like it to continue.

Also, as well, Windsor was experimental grounds on a few things. For some of them—we were the first in the province to have the simulcast program, very successful; we were the first to have the slots program, very unsuccessful. Ironically, we were the first to have the slots program and we were the first to be thrown out of the slots program. So that's kind of ironic.

There's no question there is a market in this area for horse racing. Right now, what we have to bet on is the Lakeshore out at Leamington that runs their program out there. It's very successful out there. When you consider the obstacles that they have to overcome, the handlers in there are very good. Out of all the tracks in Ontario, the highest per-bet average comes out of Lakeshore, not Woodbine, not Western Fair; it comes out of Lakeshore.

Obviously, there's something that's being done there, and we would like it to continue.

Our biggest concern is the fact that there is now a rumour—I don't know if it's true or false, but there is a rumour—that Woodbine wants to take over, or will be given the whole file of horse racing to take care of. If that's the case, we are done in Windsor and Leamington. We will never have a chance of horse racing.

Woodbine hates us down here, all right? They don't like the success we have down here. This is our concern, that if this file, the whole horse racing file, gets turned over to Woodbine Entertainment, horse racing in this province will not exist as it does now. As part of the Horseplayers of Windsor and Essex County, we think that creates a market imbalance, and it's just not right.

There are a few reasons that people will talk about why racing has kind of ended here the way it did. There's no question at all that in 2004, when a new owner group took over the track from the Tom Joy ownership—that group took over in 2004, and that was a complete disaster. For us, as the horse racing industry, whether it's horsemen, whether it's the horseplayers or whether it was the employees of horse racing in this area, we had absolutely no idea, and we were completely blindsided by an owner who turned out to be nothing more than a greedy, freeloading slumlord.

In our humble opinion, this is why we have no racing here. It had nothing to do with the market or no market or nothing; it had to do with our last owner. We'd just like to get over that phase. We've had no serious racing for a few years, but there is a market in this area, and we believe strongly this area deserves horse racing, absolutely. Thank you.

The Chair (Mr. Peter Z. Milezyn): Thank you very much, sir. Mr. Fedeli has questions.

Mr. Victor Fedeli: Thank you very much, Mr. Craig, for being here today and presenting your scenario of horse racing.

Maybe just for the record, can you tell us a little bit about what—because you made a comment: "Racing has ended here, the way it was, and no racing for the last several years." Can you just tell us a little bit about where it was in the heyday, the kinds of numbers that you were talking about, whether it was the harness or thoroughbred, and what has happened today? Give us a brief scenario.

Mr. Wayne Craig: Before the introduction of simulcast, which was before the slots, we were in trouble. This area was in trouble. I was a horseman at points here, too, but for the last 10 years, I've represented myself to the government, ORC, as a horseplayer. But after the simulcast came, it was so successful that we started racing during the summer. It was that successful. We were making that much money.

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Mr. Victor Fedeli: How many races would you have had?

Mr. Wayne Craig: At one point, we were near 200 race dates a year. By the time we left, it was down to 40

or 50 or something like that. On Sunday night, which would be the biggest night, there would be a \$1.5-million handle and stuff like that.

I think that the biggest revenue generating out of horse racing, over a year's period, at Windsor Raceway, would have been the Provincial Cup and the New Year's Eve program. Those were multi-million-dollar-handle situations.

Mr. Victor Fedeli: So you had big days, heady days, with 200 race dates. Today, is it zero?

Mr. Wayne Craig: For us at Windsor, it's zero. But at Lakeshore, they have 13. I understand that they were given the 13 as a proving ground. That was three or four years ago. They've more than proven that, in this area, we can handle. There is a market for horse racing in this area. We just needed to get upgraded. Once you do that, the handles that are out at Leamington right—some of them are \$30,000 to \$35,000. Once you get real racing, then you'll start getting real horseplayers betting, not people who we have out there, where their emphasis is more on getting people in—and that's working good.

Mr. Victor Fedeli: With the 200 race dates that you had, what has happened to the horse people, the trainers, the horses—

Mr. Wayne Craig: They've all disappeared. They've moved to Toronto, or some of them are racing in Michigan, or some are racing in Ohio. They've all dispersed. It's all gone.

At one point, in our heyday, we had people from BC; we had trainers from Alberta; we had trainers from Quebec—all of them came shipping into Windsor because, at the best point, it was a place to be.

Mr. Victor Fedeli: So the horses are gone?

Mr. Wayne Craig: The horses are gone, unfortunately. It's not a good thing, but some went to the meat market, so to speak. Some of them went racing at other places. Some were adopted on the standardbred adoption horsing—so it's basically gone.

Mr. Victor Fedeli: What about the tack shops, the trainers, the breeders? What happened to everybody?

Mr. Wayne Craig: They're all gone too. For the most part, probably 85% of what we realize—in this area probably everything is gone. That would include the trainers, the drivers, the tack shop, the veterinarians. We had one veterinarian here, Mark Biederman, who moved to California. Everybody just moved away.

Mr. Victor Fedeli: When you said that you were the first slots and it was unsuccessful and then the first to be thrown out, what do you mean by that?

Mr. Wayne Craig: We were the first in the province to have it. I worked in the backstretch at that time, and I remember when the minister came touring through the backstretch. It was a big deal. We were the first. They needed the horsemen's permission to get the casino going, and we gave it to them reluctantly.

Mr. Victor Fedeli: So are the slots there, but no horses now?

Mr. Wayne Craig: No, there's nothing there. The whole place was torn right down.

Mr. Victor Fedeli: The whole place is gone.

Mr. Wayne Craig: Forty-five years of history levelled to the ground without one—I'll leave it at that.

The Chair (Mr. Peter Z. Milczyn): Fifteen seconds.

Mr. Victor Fedeli: You have 15 seconds left. Is there anything that you wanted to add?

Mr. Wayne Craig: I just wish that we could continue. We don't want the horse racing to be subsidized, but maybe we could have a working relationship. I don't know if it is possible that I can even find an owner who would be interested in purchasing and running a track here. I don't know if the government regulations would allow that. But one thing is certain. The proof is here—you look at Lakeshore; you look at the per-bet average—that there is a market. We just need an upgrade in the market.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Craig. If there's something you'd like to provide in writing to the Clerk, you can do so until 5 p.m. on January 20.

Mr. Wayne Craig: Thank you. On behalf of the Horseplayers of Windsor and Essex County, I wish all members and all people in the room a very merry Christmas and joyeux Noël.

The Chair (Mr. Peter Z. Milczyn): And to you and your organization as well. Thank you, sir.

SPIRITS CANADA

The Chair (Mr. Peter Z. Milczyn): Our next witness is Spirits Canada.

I don't think we're allowed to drink this early in the morning.

Mr. Jan Westcott: If I left them, I'd be a bootlegger and I'm not sure what you guys would be. But we are in Windsor.

The Chair (Mr. Peter Z. Milczyn): Sir, you know how it works. You have 10 minutes for your presentation. There will be five minutes of questions following from the New Democratic caucus. If you could please state your names for the official record as you begin.

Mr. Jan Westcott: I am Jan Westcott, and I'm joined by my colleague C.J. Hélié from Spirits Canada.

It was 158 years ago and a few short miles from here that an ambitious American entrepreneur crossed the Detroit River and founded what is today the largest distillery in North America, Hiram Walker and Sons Ltd. At the same time, J.P. Wiser was taking over the Charles Payne distillery and farm in Prescott, owned by his uncle. The following year, they were joined in the burgeoning Ontario craft distillery business by Henry Corby, who opened his own distillery close to what is now Belleville.

Other whisky titans soon joined their ranks, names that are still represented on bottles of some of the finest whiskys made today: Joseph E. Seagram, James Worts and William Gooderham.

It's no coincidence that these entrepreneurs all started in the milling business. Their whisky businesses were literally offshoots of their grist and milling operations,

finding higher-value end uses for the province's abundant barley, corn, rye and wheat crops. Today's Ontario spirits industry remains inexorably tied to Ontario's cereal grain farmers.

In the days of Henry Corby and Hiram Walker, it was customary for farmers to set aside a portion of their inferior grain for diversion into whisky making. Today, it's only the very best of the best that finds itself in our whisky. Quality control, both highly technical as well as the exacting personal touch—the smell and feel of our master distillers—mean only the highest-quality cereal grains are accepted for mashing, milling, fermenting, ultimately distillation, and then maturation into Canadian whiskys.

Some days, I fear that ours will be the last generation to enjoy the fruits of a vibrant, healthy local distilling business. I wonder whether the next generation of Ontario cereal grain farmers will have a local whisky market for their goods.

Successive policy decisions have squeezed the vitality out of Ontario's spirits production. Punitive tax rates and restricted market access have combined to make for extremely challenging times. In each category's principal retail sales channel, manufacturer gross margins in Ontario for distillers are half to a quarter of that available to brewers and vintners. Mind you, these are gross margins. After accounting for the cost of goods, production, maturation, sales, and marketing and promotional costs, net margins for Ontario's spirits manufacturers are approximately 6%. Just to be clear, net margins are not profits, and 6% net operating margins are not sufficient to fully fund all the requisite investment necessary to remain globally competitive: investments in plant efficiencies and infrastructure, investments in brand and packaging development, investment in new market development, investment in laying down distillate for maturation, and investment in consumer education and marketing.

The financial margin squeeze for Ontario's spirits manufacturers is compounded by the ongoing expansion of retail access opportunities for beer, cider and wine while ghettoizing spirits solely within the LCBO. Ontario is the only jurisdiction in the world with a significant local spirits manufacturing base that provides preferential retail access to imported products, such as beer from Mexico or wine from France, that is not available to locally made spirits.

In Ontario today, Ontario-made spirits, made 100% from Ontario grains, have access to 30% to 40% fewer retail stores than beer, cider or wine. This retail access gap will increase dramatically over the coming years as an additional 300 groceries are licensed to sell these other products, but not spirits. In fact, Ontario has the dubious distinction as the only province with fewer than a single retail outlet for sales per 10,000 consumers.

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The result of these discriminatory tax and access policies has been a dagger into the heart of the Ontario spirits business. We've seen spirits' market share of the

Ontario beverage alcohol market shrink from 30% to just over 27% over the past two decades, a period in which spirits' market share in the less gerrymandered and less hostile-to-spirits American market grew from 30% to 36%.

The reality is that consumers across many varied jurisdictions have shown a renewed interest and passion for spirits, particularly for premium and aged products like whisky. Rye whisky, spirits cocktails and mixology are all driving spirits sales, yet Ontario distillers have yet to truly benefit from these trends.

As I alluded to earlier, the sole route to market for spirits in Ontario and the only place a consumer may buy spirits is the LCBO. Adding insult to injury, within our sole mandated retail channel, spirits has over the years been squeezed into a smaller and smaller footprint with less and less emphasis and focus, as the LCBO was directed by the government to help drive Ontario wine and, more recently, beer sales. The current LCBO business plan forecasts a further decline of spirits as an overall share of their net sales for the next few years.

It's not all doom and gloom. We are engaged with the enthusiastic new leadership of the LCBO to develop a strategy to rebuild spirits' share within the LCBO to over 40% over the next five years. There were a number of promising ideas that were generated at a spirits summit recently convened by the LCBO. Notwithstanding that, we appreciate the scope of the challenge to try to refocus a large organization like the LCBO.

We believe that many in the LCBO now understand that with beer, wine and cider in grocery stores, the LCBO has to become the destination store for spirits. Spirits are the LCBO's highest-margin product, and its only true competitive advantage over its private sector competitors.

The LCBO will have to re-educate its entire retail sales team to understand and appreciate the range and versatility of spirits. New merchandising and promotional opportunities will need to be created for spirits. Broader and deeper spirits retail inventories are going to be required, and greater collaborations with spirits brand owners is going to be necessary to drive this change.

Other positive signals have also been recently sent. The Premier's Advisory Council on Government Assets, in its final report, at least tacitly acknowledged that Ontario's spirits taxes have been pursued too aggressively and recommended that no future sales taxes on spirits be adopted. We welcome this recommendation.

More recently, Ontario Bill 70 introduces a modest increase in the margin available to spirits on sales through distillers' own on-site manufacturers' stores. It's perhaps not quite as generous as one may have hoped, but we welcome the positive gesture that will see retail margins increase from about 13% to about 20% for sales through these stores.

The reality is that as the business in Canada and Ontario became less and less profitable over the years, spirits manufacturers cut and cut and cut wherever they could. Many around the world have said that Canadian

spirits manufacturers became global leaders in cost engineering; that is, in the practice of taking costs out of the business and operating—existing, really—on the absolute lowest margins possible.

For our members, on-site manufacturing stores, as money-losing operations, became victims of these efficiency measures, and they were all closed. While many of our member companies see great potential value in establishing visitor centres—or what are commonly now being called “brand centres” or “heritage centres”—it's too early to tell whether the proposed increases are going to be sufficient to induce their reopening by commercial distillers.

Before I close, I want to comment on our export business. To be honest, we have been disheartened to hear that some have used our strong export focus as a rationale to discriminate against spirits here in our home market. It's true: Fully 70% of our local production is sold internationally and, yes, locally made spirits represent two thirds of the value of all Ontario beverage alcohol exports. The potential for Ontario spirits export is real, yet the same underinvestment in the domestic market also impacts our foreign sales. All export development must be funded from one's home market.

Canada's and Ontario's margins on spirits place the industry at a distinct disadvantage versus our biggest competitors in American bourbon and the Scotch or Irish whisky businesses. Industry investment in the Canadian whisky franchise lags that in these other major internationally traded whiskies. In fact, shipments of Irish whisky first surpassed those of Canadian whisky in 2010, relegating us to fourth place amongst our internationally recognized major whisky categories. In my lifetime, from a very strong second, only to scotch, all thanks to ill-considered government policy, we've dropped to fourth place.

I'd like to close with a couple of recommendations for the committee to consider. Number one: the endorsement of the establishment of a formal target for spirits sales of 40% of LCBO total net sales by 2021 or 2022.

Recommendation number two: the extension of the LCBO's current 49% product discount which we make available to foreign diplomats, embassies and consular posts in Canada. We'd like to have the same opportunity for Spirits Canada to buy our own product, so that we can send it to Canadian diplomatic posts abroad and promote our whisky—whisky that's going to be destined for Canadian and Ontario foreign offices, consulates, trade promotion and international marketing centres for the promotion and showcasing of the best whiskies, some of these whiskies here today.

There's no cost to the government associated with this recommendation, because these sales are not occurring today. We basically give foreigners operating in Canada the opportunity to buy their goods at a discount from the LCBO. We're saying, “Can we have the same opportunity so that we can send our goods abroad to our diplomatic posts to use and promote Canadian whisky?”

The third recommendation is flexibility in locating spirits manufacturers' stores. In a number of our circum-

stances, it's not conducive to put your brand centre or your heritage centre right at the distillery. We're a little bit out of the way. Our centres are in great places, but we're in Collingwood, we're here in Windsor, we're in Amherstburg. We're not in downtown Toronto. If you want to do a really impressive brand centre to promote our brands, we need some flexibility. The wine industry has had that for 50 or 60 years. The beer industry has had the Beer Store. The spirits industry needs something—

The Chair (Mr. Peter Z. Milczyn): Mr. Westcott, I'm going to cut you off. I did give you a little extra time.

This round of questions is to Ms. Gretzky.

Mrs. Lisa Gretzky: Thank you. I guess I'm the lucky one because Hiram Walker—although it's not in my riding; many think it is—is in my city. I had the pleasure of having a tour of the distillery. I can tell you it's an amazing facility and, without giving away any of their secrets, they make product that is not necessarily of their brands. They do theirs and some others. But that goes to show what a benefit they are to our community. Because they are able to diversify, they are able to employ more people and keep the people of Windsor and Essex county working.

Things have come a long way since Hiram Walker first came. I actually just recently did a tour of Canadian Club. It looks like it's the same property, the same ownership as Hiram Walker. If you're here for a little while, go do a tour and that will give you the history of how Hiram Walker came to be and how it turned into what it is today.

The difference between, as Mr. Westcott pointed out, the quality and the controls that they do now compared to then—they told us stories. Imagine that they used to make whisky and keep it in a big container, and people would come with their own jug and dip their entire arm in to scoop their alcohol out and then leave. Then someone else would come along and do the same. So imagine the difference now. I can tell you, having been on the production line, they definitely take quality control and sanitary measures they didn't used to back in the day.

My question is, when we look at how much the product is taxed between the federal and the provincial governments, and then when you look at the availability of other products such as wine and beer outside of the LCBO—so in grocery stores and such—what would that look like if spirits were allowed to be sold in the same venues that wine and beer are? What do you think that would do for the spirits industry?

Mr. Jan Westcott: I'll answer that two ways. First of all, convenience is really important to consumers today. We all lead very busy, hectic lives and so when things are convenient, you access them, you buy them. If you don't have that convenience, we're out of that loop.

The second thing I would say is that, in the mid-1980s, the government of Quebec made a decision to allow beer and wine to be sold in large chain grocery stores, but not spirits. Before they made that decision, the spirits industry in Quebec had 40% of the beverage alcohol market, so four in every 10 drinks was a spirits drink.

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Within about seven or eight years, beer and wine went into the chain grocery stores, *depanneurs*. Within about seven or eight years, our market share in Quebec had gone down to 14%. What do you think happened? We closed all kinds of distilleries. We basically took Quebec out of the North American supply chain. We stopped buying grain in Quebec—or we don't buy as much grain in Quebec. That happens. Why does that happen? That happens because consumers are looking for that convenience.

Beer and wine are sold in a vast number of stores that spirits don't have access to. We're not in farmers' markets. We're not in grocery stores. Make no mistake: We have a very good working relationship with the LCBO, but the LCBO has 850 stores when you add in the agency stores.

It also sends a message to consumers—a false message—that somehow spirits are different. All that old mythology about spirits that people have is very, very damaging to the spirits industry in Ontario.

This product, Crown Royal, a cornerstone—by the way, all of the Crown Royal in the world is shipped out of Amherstburg, just down the road here. We sell 650,000 cases of Crown Royal in Canada and 5.5 million in the United States. This whisky was just picked by Whisky Advocate magazine in the United States in Baltimore, which is the leading whisky publication in North America, as the best whisky of the year. You've all heard that Crown Royal Northern Harvest Rye was picked by the Whisky Bible as last year's international world whisky. So we're making products that are fantastic, but our own circumstances—people come from other countries and they can't believe, because of where we are, that we don't have better access than the beer and wine industry.

The Chair (Mr. Peter Z. Milczyn): Thirty seconds.

Mrs. Lisa Gretzky: My other question is going to be about hydro rates. What is that doing? You're talking about a net margin of 6%. What is the cost of hydro doing? I remember walking through the plant here and seeing the machinery and lights and everything running. What is that doing, as far as profit margins for the large distilleries?

Mr. Jan Westcott: We're a heat process business. We make steam to run the stills. Predominantly, we use gas.

In the 16 years I've been in the spirits business, I've never heard anybody talk about electricity. Mostly, electricity is used to run our bottling lines or for motors and things like that, and lights.

In the last couple of years, the cost of electricity goes to our competitive ability. All of these products are made here, but they're mostly sold in the United States. The question becomes, can we bottle them here and finish them here as competitively and as economically as some of the large operations in the US? We've lost some of our bottling. Things like electricity cost increases go to the competitiveness of our footprint here in Ontario.

Six years ago, Ontario lost bottling for Canadian Club sold in the United States to Arkansas, a big plant—

The Chair (Mr. Peter Z. Milczyn): Mr. Westcott, I'll cut you off there. I've been generous with time.

If you have anything additional in writing you'd like to provide to the committee, you can do so by 5 p.m. on January 20.

Mr. Jan Westcott: Thank you for your time this morning.

LEGAL ASSISTANCE OF WINDSOR

The Chair (Mr. Peter Z. Milczyn): Our next witness is Legal Assistance of Windsor.

Good morning. You have up to 10 minutes for your presentation, following which there will be five minutes of questions from the Liberal caucus. If you could please state your name for the official record.

Ms. Marion Overholt: My name is Marion Overholt. I'm the executive director of Community Legal Aid and Legal Assistance of Windsor.

I would like to extend a very warm welcome to the standing committee today. I'm delighted to have you in Windsor.

As we mentioned coming in, everyone noticed what a cold morning it was after a very severe cold snap last night. I think it's important for the committee members to remember that, given the coldness last night, we would have had approximately 200 people on the streets of Windsor who are homeless seeking shelter.

If any of you had an opportunity to look at the Windsor Star this morning, you would have noted that the Goodfellows of Windsor are preparing 5,000 gift baskets for a Christmas dinner and that the Salvation Army has another 400 families that they would be trying to feed over the holiday season, and they're experiencing a shortage of volunteers and are worried that they're not going to have enough money in order to feed the needy people of Windsor. I think you can understand why the presentation that I'm making today is looking at income security and housing. I see this budget as an opportunity to invest in the human capital of this province.

Our legal clinics assist clients in accessing social assistance, disability, EI benefits, employment standards, family law and criminal law representation. We work with many low-income clients, including clients with disabilities, survivors of human trafficking and domestic violence, and racially marginalized clients, and most recently, we've been funded to provide legal supports to indigenous clients.

We are supporting the call by the Interfaith Social Assistance Reform Coalition for the government to invest \$1 billion in social assistance rates and rule changes in this budget. We understand the government is committed to piloting a basic income project, and we will be participating in the consultations early next year. In the meantime, it is time for a concrete fiscal commitment.

A billion-dollar investment in social assistance could allow for a modest but significant 10% increase in social assistance rates of about \$700 million. It would be helpful to apportion the money between Ontario Works

and ODSP recipients. We know that the impacts of poverty are poor health, preventable disease, food insecurity, insecure housing and homelessness, and lower educational attainment. As the cost of living for essential items like hydro, housing and food continues to climb, we can't pretend that a 1% increase in social assistance is going to make a difference.

We're asking for an investment of \$300 million in rule changes. The Ontario government has improved the rules for social assistance. The exemption of the child support payments, which will begin in January 2017, is a significant step. Now is the time for this pattern of rational reforms to continue.

I will review the list that has been created by the Income Security Advocacy Centre, which is one of our partner legal clinics that provides systemic advocacy on behalf of low-income Ontarians. I am adopting and supporting their list and explanation of the top rule changes.

(1) We're asking for a change in the definition of "spouse" in Ontario Works and ODSP to align with family law. The current rules define a spousal relationship as starting after two people have lived together for three months. This creates financial obligations. In contrast, under family law, such a financial obligation exists only after three years of living together.

(2) We're asking for the ODSP double-disabled cap to be eliminated. When two people with disabilities are on ODSP as a single-benefit unit, they are subject to a rule that places a cap on their incomes. This rule denies the reality that a couple where both people are disabled will have additional costs related to their disability.

(3) We're asking that employment insurance income and CPP benefits be treated as earned income in OW and ODSP. Currently, the programs are deducted at their gross amounts. What this ends up creating is a problem where people on social assistance who lose their jobs become ineligible for OW or ODSP because their income from EI is deducted at a higher rate than their income from earnings. This can put their housing and health at risk. Changing the rule would end the disincentive to work that is created by such situations.

(4) We're seeking an increase in the flat-rate earned income assistance exemption from ODSP, increasing it from \$200 to \$500. Many people on ODSP may need to receive support from the program for a lifetime. As such, the low allowable earning amounts effectively cap their earnings at below-poverty levels, negatively impacting their quality of life and inclusion in society over the long term.

(5) We're asking that the ODSP medical transportation mileage rate be increased to cover real costs. It is currently set at a very low rate of 18 cents per kilometre.

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(6) We're asking that people on Ontario Works be given the same dental coverage as those on ODSP. We recognize that this is a benefit that should be extended to all low-income Ontarians.

(7) We're looking to increase the benefit fairness in ODSP and asking that the ODSP boarding and lodging

rate be eliminated. People in group homes and retirement care homes often live in substandard conditions and receive substandard care due to the lower amounts of money provided by the boarding and lodging rate. People in this situation have been known to lose their housing as a result, as the facility is unable to sustain their residence and care on this low rate.

(8) We're asking for a change in the treatment of loans. When people on OW and ODSP borrow money in small amounts to make ends meet, the amount of the loan is treated as income and deducted at 100% from the benefits. Given that the loan also has to be repaid, people in this circumstance often end up further impoverished as a result.

I now turn to the issue of housing. As you know, housing is one of the largest costs that Ontario families face. Too often, Ontarians have to decide between paying rent or buying food. Some 43% of renters in Windsor are spending more than 30% of their income on housing.

This issue has been downloaded to the municipality, but declining revenues in economically depressed regions like Windsor mean that the essential service of providing support to social assistance housing and repairs and increasing the affordable housing stock is not being addressed.

The government eliminated the community start-up benefit and instead provides transfer money to the municipalities through the CHPI program. That funding does not meet the need, so, locally, the committee has to choose between allocating funds to keep people housed or restoring homeless people to housing. In a province as rich as Ontario, this is a ridiculous and unnecessary choice.

The income inequality that exists in Ontario is a threat both to our social cohesion and to our economic well-being. The good news is that it is fixable, and I commend that task to you. Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. This round of questions begins with Mr. Rinaldi.

Mr. Lou Rinaldi: Thank you so much, Ms. Overholt, for your presentation today. It is very compelling. I think you touched on a lot of issues.

Ms. Marion Overholt: Yes.

Mr. Lou Rinaldi: Congratulations that even in such a short time, you were able to cover that kind of territory. But I'm glad you did because, as elected folks from all sides of the House, we need to be reminded. There are pressures everywhere, but I think it's important that we hear from specific folks about the work they do. I commend you and your organization on the work you do.

I have Northumberland legal aid folks—for a while we were neighbours. Their offices were next to ours. We had an excellent relationship, and I still meet with them on a somewhat regular basis. They bring some of those issues, so it's not new to me.

As MPPs, I know we do it. There's a point where people are, as it were, stuck in the mud—that we refer them, many times, to the service that you provide, and you are able to help them. One of my thoughts has

always been that sometimes people just need a little bit of a hand up. Otherwise, they are just spinning their wheels; they don't get anywhere.

Having said all that, I would ask, can you be a bit more specific on the benefit that you provide? You talked about the needs, and we get that. If you can expand on the service that you provide: What kind of feedback do you get from the folks who get that kind of service? I know some of it is more complex than others; some of it might be simple. But is it something where the investment that the province is making—a good measurable sense that people are getting some benefit, not necessarily government.

Ms. Marion Overholt: Right. So if I understand your question, you're asking me about the benefits that are provided by my legal clinic.

Mr. Lou Rinaldi: Sure.

Ms. Marion Overholt: What we find with our clients is—because, in order to be eligible for our assistance, people would be living in poverty—there is so much interconnectedness between the issues that they present with. If people have experienced difficulty in terms of accessing Ontario Works or trying to qualify for an ODSP benefit, very often they're experiencing a housing problem, so we would provide them with assistance and try to avoid an eviction and try to find the money for them in order to pay rent.

The difficulty is that their level of income is so low that they're in constant crisis. If we're able to resolve a housing issue one month, then maybe two months later, they may have an extraordinary hydro bill that they're unable to pay, and they are unable to get further assistance for that. Maybe we were able to help them with a short-term problem two months ago, but now it's reoccurring and it's because of lack of income.

We're constantly trying to advocate on behalf of our clients, to get the most benefits that they are eligible for, whether in federal benefits or provincial benefits, but also to take the knowledge that we have from their experience and take it to committees like this.

Part of our job as advocates is to make sure that we're addressing the systemic problems. We see this issue of income insecurity as one of the systemic problems that we need to raise up for government and seek redress. We can help people—we help them if they're facing criminal charges; we help them with family law—but the income insecurity underlines all of those issues. We'll see families who experience domestic violence, but they're afraid to separate because they're afraid of the poverty that they're going to encounter once they're trying to raise their child as a sole-support parent.

We feel a legal and moral obligation to raise those situations back to government, to make sure government is aware of what people's lived experience of poverty is, and what the legislative fix for that is. Really, in this province, we're legislating poverty, and we don't need to.

Mr. Lou Rinaldi: Thank you so much, and thanks for doing all the work you do, along with your colleagues. Please don't stop doing it.

Ms. Marion Overholt: We won't. Thank you so much.

The Chair (Mr. Peter Z. Milczyn): Thank you. If there is something additional that you want to present in writing, please do so by 5 p.m. on January 20.

MR. JOHN CRYDERMAN

The Chair (Mr. Peter Z. Milczyn): Our next witness is Mr. John Cryderman. Good morning, sir.

Mr. John Cryderman: Is it all right? I'm going to put my coat back on. It's actually freezing in here.

The Chair (Mr. Peter Z. Milczyn): It's a bit cool.

Interjections.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, and following will be five minutes of questions from the Progressive Conservative caucus. If you would like to state your name for the official record as you begin.

Mr. John Cryderman: John Cryderman. Before I forget, if you have any of these left over, I need five, okay?

I didn't know how I was going to present this. I can't solve the entire set of problems that we have in the country or in North America. But looking over the pre-budget eight focus areas, I think three have everything to do with what I'm going to present today: investing in community infrastructure projects; making government services faster and easier to use; and supporting Ontario's small businesses.

I guess that indirectly, what I'm submitting today is, hopefully, going to support this. I've got a lot to go through, so I've circled things so I can breeze through this a little bit quicker, because I don't want you guys here until 5 o'clock tonight.

Canada is sitting at a \$1.3-trillion debt right now. We've got \$60 billion, as everybody knows, in interest payments to service that trillion-dollar debt. In the province of Ontario, sitting now with a \$309-billion debt, \$12 billion goes to servicing that debt. We're working with a \$137-billion budget for Ontario. By the time we get done paying for mandatory costs like wages, pensions, social services, education and even the \$12 billion a year to service that debt alone, we don't have a lot left when it comes to the \$137-billion or \$135-billion budget.

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Everybody that I talk to seems to want to blame Ottawa. They seem to want to blame Queen's Park. Well, my submission today is that we have to take a really close look at municipalities. We have 444 municipalities in Ontario, and when you look at the overall expenses of these municipalities, it comes to \$55 billion annually, according to the FIR records. When we look at the municipalities, the province has now given them more leeway to self-govern.

There are a couple of faces here today who I'm familiar with, who know my involvement with provincial management. I've had a lot of experience when it comes to what I'm going to choose to say is mismanagement on

a municipal level. I believe that we can save \$10 billion to \$15 billion to \$20 billion a year if we introduce legislation to amend some of the current acts that we have, like the auditor's act. Currently, the auditor's act does not give any leeway to have the Provincial Auditor look over municipal books at any one time at his or her discretion. The only time a municipal auditor can look into finances is through grants and so forth, and it's specific to those grants.

What I'm going to do is start with page 1, the lower bottom right of my package here. We'll kind of breeze through it. I've got things circled here, so I'll be as quick as I can because we don't have a lot of time. The focus of the presentation is to re-examine the current extended authority given to municipalities allowing municipalities to govern and self-manage. The second paragraph of page 1: I submit that one ingredient to be used for our provincial book balancing is to not start with Ottawa and the provincial government's management, but to start from the bottom up, so to speak, and repair the money leakage in our provincial bucket—my terminology—from the municipal level.

The preamble: Currently, under the Municipal Act and the auditor's act, municipalities are not legislated to give any details to the province as far as how they're going to invest. Even though they submit their annual tax returns, there is nothing in the Municipal Act or the auditor's act that would create any incentive for municipalities to be far more prudent than they are, from my experiences, in local investments.

For the sake of Chatham-Kent—and I have to use them, because that's my hometown—in the last few years, they've invested over \$60 million in local projects, and it's all documented, so I will back up my statements. Those project have now proven to come out with zero, negative or very little dividends paid back to the taxpayer. Annually, the province kicks in about \$10 billion to municipalities every year in conditional and unconditional grants. Well, if municipalities are not held accountable—and there has got to be a close liaison between the province and municipalities—there is a lot of money being wasted.

If we can skip to section (a), if everybody has section (a) in the handout, at the bottom of page 3, I've circled this—and you can read all the other stuff later. Once again, the time restriction has forced me to go through this very quickly.

As the province continues to upload about \$10 billion annually to Ontario municipalities both in conditional and unconditional grants and the squandering of tax dollars at a municipal level—I'm submitting to the panel today that we could save up to 20% of that, if not more. I'll get into it in a little bit more detail as we breeze through this.

Page 4, under (a), Examples of Municipal Government Ineffective Investment-Management, the first sentence: My position is that one of the largest financial bleeds to a province is the management system, cumulative, of all the municipalities we have. Now, I've had a lot of

meetings with various elected members of a number of municipalities in Ontario. They all seem to share the same, or similar, concerns that I am presenting to you today.

On page 4, the municipality of Chatham-Kent, under “Capitol Theatre project”—nobody is against theatre. I, personally, love theatre. But we, I’ll use the word, swiped \$7.2 million from the province under the job creation funding program back in 1997-98 for the Capitol Theatre. Our office did a cost analysis on the Capitol Theatre before it was built. We encouraged the municipality not to go ahead. We also put in our financial estimates as to how much the Capitol Theatre would lose if they went ahead and built it. They went ahead anyway, and today, according to the FOI records that I got from the province, we’ve got somewhere between \$23 million and \$26 million tied up in the Capitol Theatre, and it can’t pay for itself. We’re losing about a million dollars a year on the Capitol Theatre, which in our jurisdiction represents a 1.3% tax hike.

Chatham-Kent industrial park: It currently sits at \$20 million, total investment. Again, our office did a cost analysis for the industrial park, encouraged them not to build it and told them what it was going to cost and how much they were going to lose. The municipality went ahead and built it anyway. We’re taking in \$336,000 a year in net revenues, but it’s costing us \$750,000 to try to pay on the principal. We can’t even pay off on the principal.

Tecumseh Park upgrade: The municipality wanted to go ahead with a \$3-million upgrade to our Tecumseh Park to try to create a tourism attraction. But when you look at the full scope of everything in Ontario, there are parks that we can’t compete with because they’ve got \$10 million, \$15 million, \$20 million, \$30 million invested. I explained to them that it’s not going to work. Instead, they took the \$3 million that they had budgeted for Tecumseh Park, turned it over to Kingston Park and invested in Kingston Park, which is great, but they went \$2 million over budget, and that’s the end of that story.

The Bradley centre: We did another cost analysis for the convention centre that Chatham-Kent recently built. It showed them that it would cost about \$1.5 million to \$1.7 million a year to operate, and we’ve never been able to pay down on the principal, which has come to fruition—

The Chair (Mr. Peter Z. Milczyn): Okay, Mr. Cryderman, you’ve already gone a little bit over your time.

Mr. John Cryderman: Oh, dear. Okay.

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett has questions for you.

Mr. Toby Barrett: Thank you, Mr. Cryderman. I hear what you’re saying, just in the context of how municipalities are a creature of the province, created by the province. There’s been quite a history in Chatham-Kent with the amalgamation a number of years ago.

When I was first elected, there was a great deal of concern—the concerns you were talking about—from

property taxpayers. A number of groups organized across the province. At that time, we had a regional level of government that—there just didn’t seem to be any oversight. We were a little closer to the local level. The end result: We actually got rid of the regional level of government a number of years ago, but things continue to grow.

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I know you did run out of time, but I just wonder. People are always concerned about their property taxes. As our population is aging, they want to hang onto their houses and their farms and their property. Do you find that people understand municipal budgets? Do people have the information they need? You talk about provincial oversight; much of the oversight is really from the citizens of the municipality. But do they have the tools to do the job?

Mr. John Cryderman: That’s a very good question. Most, if not all, taxpayers, when municipal budgets are presented each year, as required by legislation, do not understand the comprehensiveness of the budget. They’re clouded, muddled, and anybody in the audience who I’ve asked who tries to understand the budgets can’t. Nobody will understand this coming budget.

We just used Chatham-Kent as an example. No one will understand that in Chatham-Kent’s budget, we give raises to grade 10 employees and up this year. No one will understand that the police chief and the deputy chief get a free, taxpayer-funded vehicle. Nobody will understand that the fire chief and the deputy fire chief get a free, taxpayer-funded vehicle. There are a lot of things in there that the public just doesn’t understand.

In Chatham-Kent, for example, we spend \$138 million on wages and pensions every year, but our net revenue is only \$146 million. It’s hard to exist on that.

Interjection.

Mr. John Cryderman: Go ahead, Vic.

The Chair (Mr. Peter Z. Milczyn): Mr. Fedeli.

Mr. Victor Fedeli: Welcome back, Mr. Cryderman. I have a question about these corporations that municipalities are forming. I have seen a trend start, probably only a couple of years ago, where municipalities form a municipally funded, arm’s-length corporation, primarily for economic development, but it is no longer able to have an FOI. You cannot do freedom-of-information on what that money is being used for. Do you have any comment? Have you seen this as well, or am I just seeing an aberration?

Mr. John Cryderman: Vic, I work with it every day, and this is something that I want to share with everybody: I’ve got nine FOIs filed with the municipality—and please, this is not an attack on Chatham-Kent; I’m trying to establish something here. I’ve got nine FOIs filed toward the municipality. I got them back late yesterday afternoon. They declined to answer the questions.

One of the issues we have is that there’s no transparency, or little transparency, or transparency seems to be manipulated severely with municipalities. Again, I use Chatham-Kent as an example. I’m trying to stay on track,

and that's part of my answer to the railroad situation. Chatham-Kent formed a separate corporation apart from the municipality of Chatham-Kent, as Vic laid out, to escape the FOI legislation. A lot of people don't know that for that railroad track that we invested in, going nowhere, we've got \$12 million of taxpayers' money set up.

Additionally, the municipality's fire department—very, very crucial here—was allowed to set up fund-raising organizations for that department. It was expressly stated that the department can go ahead and raise money to pay for its own expenses. Well, when you look at the \$52 billion or \$50 billion that non-profit corporations in the private sector across Ontario produce, they contribute heavily to our GDP. Our fire department is currently competing against the United Way and all the local organizations. Once you start that precedent on a local level, it's going to snowball across the province.

What I'm trying to do is, I want the extra money that we can save—sorry I couldn't get through this—to be put towards better prioritization in the province. Health care is very important. Infrastructure is very important. Then we get into social programs and social justice. But I'm trying to establish that the money is there, if we stop the municipal bleeding. We don't need a fist fight with municipalities—

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Cryderman.

Mr. John Cryderman: Okay.

The Chair (Mr. Peter Z. Milczyn): We've used up more than the allotted time. If there is anything further you'd like to submit in writing, you can do so until 5 p.m. on January 20. I'll give your submission that I got back to the Clerk and he can give it to you—

Mr. John Cryderman: We could do that.

The Chair (Mr. Peter Z. Milczyn):—if you need it for some other meeting.

Mr. John Cryderman: I've got a presentation to make before council shortly, so I need five—I don't need the nice ones that are bound. Give me the ones that are stapled; they will do just fine.

The Chair (Mr. Peter Z. Milczyn): It forms part of the official record, so we have it back at Queen's Park in any case.

Mr. John Cryderman: Well, okay.

The Chair (Mr. Peter Z. Milczyn): Thank you, sir.

GREATER ESSEX ELEMENTARY TEACHERS' FEDERATION OF ONTARIO

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Greater Essex Elementary Teachers' Federation of Ontario. Good morning.

Ms. Adelina Cecchin: It's chilly in here.

The Chair (Mr. Peter Z. Milczyn): It's a bit cool.

You have up to 10 minutes for your presentation, following which there will be five minutes of questions

from the New Democratic caucus. If you could please state your name for the official record as you begin.

Ms. Adelina Cecchin: Sure. It's Adelina Cecchin. I'm from the Greater Essex ETFO.

Good morning, everyone. Greater Essex welcomes the opportunity to be able to participate in these pre-budget consultations. By way of background, our local represents approximately 1,550 public elementary teachers.

Public education is an important cornerstone in a democratic society. It promises equal opportunity to all students in acquiring an education. When funded properly, it can deliver a future of great promise for every one of our students.

Recently, our 2015 PISA test results reveal that Canadian students are among the highest achievers in the world in science, math and reading. This success comes in large part from the dedication of our teachers, who work with students day in and day out to build their attitudes and skills and the necessary competencies for the ever-evolving world of today.

Although these PISA results bring favourable national recognition, the report card on public education here in Ontario needs improvement. Despite their demonstrated dedication, teachers have had to pay a hefty price over these last few years due to the province's fiscal policies and constraints.

The 2013 budget confirmed that the savings generated from the cuts to teachers' sick leave and retirement gratuity provisions, along with salary delays, contributed \$1.1 billion to address the provincial deficit. Further, in 2015 the budget reported that the province realized an additional \$1.6 billion in savings as of the 2014 budget because of lower pension costs related to constrained public sector growth and to better-than-expected performance.

The math lesson here is clear: Teachers have contributed more than their fair share to deficit reduction.

While it is true that the Liberal government has increased education funding since taking office in 2003, the additional funding has only gone partway in addressing the \$2 billion in cuts imposed by the former Progressive Conservative government to public education. Public education is struggling to deliver on its democratic promise because of these unrecovered PC funding cuts, while at the same time trying to fiscally manage the annual cost-of-living increase since the 2003 cuts.

A comparison of per student spending, using the 2011-12 data from the Census Bureau of the United States Department of Commerce and from Statistics Canada, puts Ontario in 21st place out of the 36 jurisdictions in Canada and the United States. In Canada, Ontario ranks behind Alberta, Manitoba, Saskatchewan, New Brunswick, and Newfoundland and Labrador.

These unrestored cuts to funding are one piece of the underfunding in public education. There also exists a funding differential between elementary and secondary. Per pupil elementary grants are funded considerably lower than the grants for secondary students. Because of this historic gap, elementary education is therefore

affected to a greater degree with cuts to services, supports and opportunities. For example, programs such as special education, English as a second language, design and technology, physical education, library and the arts continue to be cut and shortchanged. This funding differential needs to be corrected. We cannot claim to have an education system that provides equal opportunity to all students when funding is differentiated at the elementary and secondary levels.

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There is another factor affecting public education today: the increase in special-needs students. Special education funding is based on a combination of enrolment and a statistical formula. It does not reflect actual school board needs. Data from the People for Education 2016 annual report on schools show that in 2016, 26% of elementary schools reported that not all students are receiving recommended special education support, an increase from the 22% of the prior year.

In 2015, it has been reported that almost 80% of school boards spend more than what they are allotted by the province in the area of special education. This means, then, that school boards are forced to take funds from other program areas in order to support special education and our most vulnerable students. In the 2015-16 Grants for Student Needs, special education funding was cut for 38 school boards, totalling \$22.5 million in cuts.

In its 2007 election platform, the Ontario Liberal Party committed to reviewing the education funding formula by 2010. This has not yet materialized. Public education deserves this comprehensive review, and elementary education deserves the right to equal funding.

Special-needs students: Meeting the needs of special education students through early identification continues to be a challenge across the province and here locally. The number of students identified as requiring individualized plans and support to address their individual learning needs continues to increase and outpace the grants to support special education.

In order to be implemented successfully, the move towards integrating the number of students with special needs into regular classrooms means more resources are required to support the students, as well as the classroom teachers, in terms of training, professional supports and material resources.

The expectation for teachers to meet the needs of such a wide range of learners with special needs, along with the accompanying required documentation—I'm talking about IEPs, which are individual education plans—and meeting the commitments are becoming unmanageable. The degree of documentation associated with supporting students with special needs is one of the top workload issues identified by a recent provincial study on teacher workload and professionalism.

To properly address the needs of special-needs students, it is especially important to provide additional professional support from educational assistants, behavioural counsellors, psychologists, speech and language pathologists, and audiologists. Unfortunately, these pro-

fessional support personnel are often the first to feel the effects of budget cuts within school boards.

The lack of these adequate supports can result in long waiting periods for proper identifications for students experiencing learning or behavioural issues. In fact, the 2016 People for Education annual report highlights that 59% of elementary schools report that there are restrictions on the number of students that they can place on waiting lists for assessments.

If a school cannot provide an assessment in a timely manner, parents may choose to pay for one privately, which can cost more than \$2,500. When parents pay privately, they avoid waiting lists, which can range from months to years. This lengthy waiting time is not fair to students who are in need of proper identification in order to receive early and necessary support. Such waiting can also have a direct impact on their chances for long-term success. Access to assessment and supports should not be contingent on whether parents can privately afford to pay. This runs contrary to the ideal of public education.

Full-day kindergarten: Full-day kindergarten for Ontario students is a significant education initiative. Preliminary Ontario-based research suggests that the investment is already producing strong results in terms of kindergarten students' early reading and writing abilities, through the complexity of their drawings, social competence, and problem-solving skills.

To fully realize the potential of FDK, the Ministry of Education needs to address the issues being identified, and this means more funding. The issues include class size and physical space, and professional learning to support the teacher and the early childhood educator team.

Although the kindergarten program is funded to have an average class size of 26 and an average staff/child ratio of 1 to 13, there are a considerable number of classes with 30 or more students. ETFO members, our teachers, consistently raise concerns about the challenges of setting up activity-based programs for that number of young children. Overcrowded classrooms limit the ability to take full advantage of the play-based program, and they can and do create stressful and overly noisy work environments.

Small class size: Like full-day kindergarten, the investment in smaller primary class size reflects the importance of focusing on early years education in order to promote student success and to achieve longer-term savings. Based on the research, we should be protecting our smaller classes at the primary level and also moving to reduce them in grades 4 to 8. Class sizes in grades 4 to 8 are the largest in the K-to-12 system. There is no pedagogical rationale for grades 4 to 8 being higher than those at the secondary level. Lowering class sizes in these grades would provide teachers with greater opportunity to develop strategies and interventions tailored to the learning needs of each student.

The Chair (Mr. Peter Z. Milczyn): I'll cut you off there. I already gave you a little bit of extra time. Questions are now from Ms. Gretzky.

Ms. Adelina Cecchin: All right. I do apologize for running over. And I'm not even done.

The Chair (Mr. Peter Z. Milczyn): I'm sure we could be here all day on education, so I understand.

Ms. Adelina Cecchin: Hi, Lisa.

Mrs. Lisa Gretzky: Hi. I appreciate you coming and presenting—and we could go for days, not just all day, talking about education. I appreciate the fact that I have a laundry list of questions, and you actually answered many of them in the bit of your presentation you were able to do.

You talked about the \$22.5-million cut specifically to special education funding, and the importance of those students being identified. That was an important piece, that there are some students who should be getting identified, but many boards are capping the list because they can't service all those students. Their way of doing that is "if we don't identify them, we don't have to service them." That's directly related to funding.

You talked about the current funding formula and how we hear about how funding has gone up. Enrolment has been declining, but we don't hear about how they've increased funding for the students with special education needs. So the need has gone up, even though there are fewer students.

Then you talked about full-day kindergarten, and the number of students in the classroom, and the necessity of having professional collaboration, which they don't have right now, where an ECE and a teacher can sit down and discuss the students in the classroom, and their needs.

I'm wondering, though, if you can talk about—you touched on kindergarten class sizes, where we're seeing a move towards an SK/grade 1 split. So we're now taking students that should be in a FDK classroom—it's a different program—and putting them into a grade 1 classroom. In many cases, boards do this in order to be able to eliminate staff and ECEs. I wonder if you can touch on what that looks like for students. That's the important piece for student learning, and for a teacher who now has two completely different programs that they're supposed to be teaching them.

Ms. Adelina Cecchin: It's a very difficult situation, because the premise for FDK was that it's a play-based, inquiry-based approach to learning, and it's very effective when it's done properly. The grade 1 classroom is very structured in terms of it is very subject-tailored. To try and integrate this play-based approach into an SK/grade 1 classroom doesn't work. That's the bottom line. It doesn't. It can work, but it's not working the way that it needs to be. You need the space and you need the supplies to be able to do a play-based approach, and you don't have that in the grade 1 classroom, so it's very difficult. You have SK/1 teachers managing two different grades within the classroom, and also not only managing those two different curriculums but managing these two different approaches towards teaching our little kids. It becomes really a quite challenging situation.

I believe there was an intent, because of funding, to try to really say, "Could this work?" Even though, as you've

seen, for example, here locally, it was attempted at least two years ago, there hasn't been traction around it because it's very difficult to implement.

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Mrs. Lisa Gretzky: My other question goes back to largely special education: students who have special education needs; those who have been identified, those who haven't; those who are getting the supports they need, those who aren't. Can you talk a little bit about—I mean, it's not new but it is just starting to come out publicly—the violence in the classrooms?

The fact is that now we don't just see the educational assistants, who know that they're going to be working with some students where they would require wearing Kevlar—for those who don't know, Kevlar is the same thing that police wear in bulletproof vests. Now we're seeing more and more teachers in mainstream classrooms who are having to wear full Kevlar hoodies and shin guards because they're having students in their classroom who are not receiving the supports that they need. Sometimes, that turns into behavioural and, sometimes, there's a spinoff effect, especially when you're talking about kindergarten to grade 1, the little ones. When one is taking the teacher's time, you'll see a spinoff, and the others' behaviour ramps up.

Can you talk a little bit more about the fact that we're seeing that—it's sad to say; we shouldn't have to say that—it's becoming more the norm for teachers and support staff to wear Kevlar?

Ms. Adelina Cecchin: You will see, over the last few years, the reality of what we're finding in classrooms, especially at the elementary—I can't speak for secondary. Because these kids are not getting the proper supports and they're not being identified—additionally, they don't have the EA support or the CYW because there are not enough of them. You have these kids who are being integrated into the regular classroom.

I do want to say that we believe in inclusion. That's a wonderful theory. However, to do it properly, you need the appropriate amount of funding for it to work. Because these kids' triggers are unidentified and there is not the support to be able to help them, you are seeing, across the province, an escalation around violence that is happening in our classrooms. You are seeing kids—because of these triggers that are exploding in classrooms—hitting, biting, kicking teachers and other students as well.

One of the remedies that the school boards, because they're struggling with this lack of funding and not being able to provide the appropriate kinds of supports—the solution to it is, as has been identified, to wear, for example, double Kevlar. There are teachers walking around with this kind of stuff. Some have to wear chest guards. When we talk about the dignity of education and what we are modelling to students, it's incomprehensible to me.

The Chair (Mr. Peter Z. Milczyn): I'll stop you there. All of our time has been used up. If there is anything you'd like to submit in writing to the Clerk, you have until 5 p.m. on January 20 to do so.

Ms. Adelina Cecchin: Thank you.

FAMILY SERVICE ONTARIO

The Chair (Mr. Peter Z. Milczyn): Our next witness is Family Service Ontario. Good morning.

Ms. Joyce Zuk: Good morning.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, following which will be five minutes of questions from the government side.

Ms. Joyce Zuk: Thank you so much.

Good morning. My name is Joyce Zuk and I am the executive director of Family Services Windsor-Essex. I am pleased to be here this morning to make this representation on behalf of our parent organization, Family Service Ontario. Thank you so much for coming to Windsor, especially on this very cold winter day. We do pride ourselves on being the warmest community in the province, but today, you would not know that.

Interjection.

Ms. Joyce Zuk: Yes, it's colder in Toronto.

I have provided for the committee a copy of the official brief from Family Service Ontario. I thought that this morning, as opposed to reading through that brief, I would just provide you a verbal summary and give you a little bit of a local Windsor-Essex perspective on the submission that our provincial body has made.

Family Services Windsor-Essex is one of 43 family service agencies across our province. I believe that all of the panel members know us. You have been present in the Legislature each year when we have our Family Service Day. We are very proud, as agencies, to be members of Family Service Ontario, because our provincial network allows us to speak with one voice at forums and sessions, such as these, across the province.

Here in Windsor, Family Services Windsor-Essex is a multi-service, accredited organization. We are accredited by the Canadian Centre for Accreditation. We offer programs that are funded by the Ministry of Community and Social Services, the Ministry of Children and Youth Services, the Ministry of Health through the LHIN and the Ministry of the Attorney General. We receive funding from our local United Way and we are also funded by the city of Windsor and the county of Essex. This type of funding model that we have is not unlike what many family service agencies across the province have.

Today, I'm hoping to make two very quick, quick points. The first I want to share with you is about the capacity of family service agencies across the province to respond to a number of issues and concerns in our communities. The second point that I wish to make is to discuss our ability to improve the overall mental health of Ontarians through our ability and our desire to offer quick-access mental health walk-in services.

Each family service agency in Ontario offers mental health counselling services. This consistency allows us to work together to improve the mental health of Ontarians as we deliver evidence-based programs and services. Our counsellors are highly qualified professionals who hold at minimum a master's degree in social work and are qualified to perform the controlled act of psychotherapy.

In addition to our counselling programs, family service agencies are able to respond to unique community needs and offer programming that is relevant to each Ontario community. Many family service agencies offer programming in the area of developmental services and community support services funded through LHINs. We offer programming to combat violence against women and children. Through municipal funding, we are able to offer programs in the area of housing and homelessness prevention.

Our mandates are related to family and individual strengthening, and our mandates are broad enough to allow us to customize our programs in each community to meet the needs of those communities.

Today, I want to speak to you about our desire and ability to offer quick-access mental health walk-in services consistently across the province. We recognize three things as we try to get critical mental health services to people. First, we must be available to Ontarians when they decide they need help: to men, women, children, families, couples and individuals. The second point is that people cannot wait for services. They must be able to see a counsellor when they decide that they need help. Finally, we must be able to provide a wide range of qualified professionals to assist people who may present with a variety of issues and concerns.

Family service agencies have begun to offer walk-in mental health services, a method whereby we offer clinics at our locations, where people can walk in without an appointment and immediately see a counsellor and receive assistance to assist them with a myriad of issues and problems. We employ the single-session model of counselling, aimed at providing immediate assistance, which then leads to the development of a clear plan for next steps and follow-up.

Here are some quick facts about our mental health walk-in services:

- the top presenting issues that we are seeing are anxiety, depression and stress;

- we are seeing high volumes of men and youth at our clinics, two groups which historically would not seek out counselling services;

- we are measuring the impact of our work and finding that our model is effective, but also cost-effective;

- one of the primary referral sources for our walk-in clinics is physicians in the province; and finally,

- when we ask folks where they may have gone for assistance if they didn't come to our walk-in, the number one answer we're receiving is "emergency departments."

Several family service agencies in the province have begun to offer walk-in mental health counselling services. Each family service agency has had to find a way to fund their clinics. In Windsor, we are fortunate to have secured funding for our walk-in through our local United Way. At present, we're into year three of a five-year funding agreement with our United Way, but our United Way says to us, "Is it our job to fund health care?" They recognize that the service we're offering is mental health care.

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Secondly, the funding from our United Way is not guaranteed, and thirdly, it is not consistent across the province. While we in Essex county are fortunate to have our United Way funding our walk-in, some of our other family service members across the province aren't so fortunate.

I can share with you some very good news in that, to date, our family service agency located in Ottawa has received funding for their walk-in through the Champlain LHIN.

In summary, here is the ask: We call upon the government to invest in this proven model so that it can continue to provide value to clients and to Ontario taxpayers. Patchwork funding is not sustainable over time. We cannot prosper as a society until the most vulnerable among us have an opportunity to fulfill their potential within their families, jobs and community. Thank you so much.

The Chair (Mr. Peter Z. Milczyn): Thank you. This round of questions starts with Ms. Hoggarth.

Ms. Ann Hoggarth: Good morning. Thank you for your presentation. I hope I didn't distract you with my moving around.

In my riding of Barrie we have Simcoe Community Services. They do many of the things that you do as well. Our community is so much better because of it. I thank you for your hard work.

One of the newest programs that they're doing is helping grandparents who are parenting again. We find more and more of that happening. It's a very interesting program.

We understand that one of the services that Family Service Ontario provides is therapy for survivors of family violence. I know that in 2015, MCSS—and I'm the PA to that ministry—approved \$172,700 in project funding over two years for a pilot project with FSO to provide joint counselling programs for couples experiencing situational couple violence. This pilot is studying the effectiveness of conjoint counselling for lower-risk situational violence and whether early intervention would lead to a reduction in domestic violence against women.

Can you please tell us about the supports that you provide to survivors of family violence?

Ms. Joyce Zuk: Sure, and thank you so much for that question, and for recognizing the project. We are very appreciative of the province's investment in that pilot. Thus far, in the early stages, the data that we have coming out of that is very good.

There is a little bit of difference across the province. Some family service agencies and some communities are receiving violence-against-women funding through the Ministry of the Attorney General; others don't. Here in Windsor and Essex, we actually do not because that funding is held currently by our domestic violence shelter.

One of the things I can tell you is that in cases of domestic violence, we know that 80% of the time, victims will seek out community treatment services and will not

access shelter services for a number of reasons. One of the primary reasons is fear of losing their children.

We make sure, right across the province, that our counsellors have training and skill in assisting individuals and families who have experienced domestic violence. The conjoint counselling project is an example of some of the innovative work that we are looking at, recognizing that one of our commitments is to strengthen families, and that there are cases where the threshold of violence is lower. We recognize that we cannot have one universal response to family violence, hence the pilot looking at a differential response so we can respond to the unique needs of families.

Ms. Ann Hoggarth: Thank you.

Ms. Joyce Zuk: I'm not sure if that answers the question fully, but—

Ms. Ann Hoggarth: No, no, that's great. Thank you so much for that. Thanks for your presentation.

The Chair (Mr. Peter Z. Milczyn): Thank you, and if there is something additional in writing you'd like to provide to us, you have until 5 p.m. on January 20.

Ms. Joyce Zuk: Thank you so much.

ALZHEIMER SOCIETY OF WINDSOR AND ESSEX COUNTY

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Alzheimer Society of Windsor and Essex County. Good morning.

Ms. Sally Bennett Olczak: Good morning.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, following which there will be five minutes of questions from the Progressive Conservative caucus. If you could please state your name for the official record as you begin.

Ms. Sally Bennett Olczak: Sally Bennett Olczak. Thank you, sir.

Mr. Chair and members, the Alzheimer Society of Ontario and the Alzheimer Society of Windsor and Essex County, in partnership with the Alzheimer Society of Ontario, thank the Standing Committee on Finance and Economic Affairs for this opportunity to discuss with you our suggested priorities for the upcoming Ontario budget.

The Ontario economy faces significant challenges and we understand the government's commitment to reduce the deficit that lingers from the last recession. On the other hand, positive local actions by government are important to move Ontario's economy forward.

In the spring of 2015, for the first time, people with dementia visited Queen's Park as part of our day at the Legislature and urged you, as members, to work with them to do something about dementia. Since that time, much work has been done to develop a dementia strategy for Ontario, including, first, the formation of a dementia strategy advisory group; second, the hosting of eight community round table discussions across the province; third, consultation with five working groups over the winter season of 2015-16; fourth, the release of Developing Ontario's Dementia Strategy: A Discussion Paper for

public consultation; and lastly, the hosting of five official community town hall discussions and an additional five meetings, many hosted by your fellow MPPs. One of those five meetings was held here in Windsor-Essex in early November at the Alzheimer Society, and we had over 140 people from the community present.

More Ontarians are developing dementia today, with more than 220,000 Ontarians aged 65 and above having dementia. That's one in 10 older adults living with the disease. Looking ahead to 2020, three years and a bit from now, a quarter of a million older adults in Ontario will be living with dementia. This is a 13% increase from today. Most will be living in the community, where family and friends will be supporting and caring for them.

Among persons living in the community with a diagnosis of dementia in 2013, almost 9,000 of those individuals were under the age of 65.

People caring for someone with dementia provide 75% more care hours than other care partners, and experience 20% greater stress. Many of the hours are from working people. As evidenced by the Health Quality Ontario 2016 report, 35% of people who provide unpaid care over a long period of time to home care patients reported feeling distress, anger or depression in 2014-15, up from 16% in 2009-10.

Yes, there are great needs, but we also have some great solutions in Ontario, solutions that are proven and worthy of greater involvement. Today we'll be providing an overview of how, together, we can better support care partners and people living with dementia. Our three proposals are available to you, with appropriate financial recommendations for your more detailed consideration, in our submission.

We suggest that \$27 million over two years will ensure adequate funding for the solutions we propose. The funds would support developments or improvements to dementia-friendly communities, to First Link and primary care, and supports for care partners. Three basic strategies have the ability to help reduce the risk of dementia, modify its impact, and create more supportive and accessible communities.

Care partners, as well as people living with dementia, fare better when they remain integrated and participating members of communities. A comprehensive Ontario dementia strategy will include a health promotion component, including social engagement, physical activity and accessible communities. Building on existing, proven initiatives will accelerate the impact of promotion efforts.

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Our first proposal is that dementia-friendly communities be the central theme of the health promotion initiative and that it build on an integrated delivery of our existing programs, currently branded as Minds in Motion, Finding Your Way, Blue Umbrella and ReThink Dementia.

This integrated initiative will increase a sense of inclusion, reduce isolation among people with dementia and care partners, and create more public volun-

teer/private opportunities for social and physical activity and independent living. Together with other components of the strategy, this initiative to mobilize communities will contribute to enabling people with dementia to live longer and more satisfying lives in the community and reduce pressure on long-term care.

Our second proposal aims to reach people with dementia and care partners as soon as dementia is diagnosed through our First Link program, providing education, support and access to other services.

We have an active First Link program at the Alzheimer Society of Windsor and Essex county. From 2011 to 2015, referrals to the First Link program have increased from approximately 6,300 to 12,700. It's very significant.

One of the most successful partnerships is with the 77 primary care memory clinics across Ontario, where we work with teams to make diagnosis and support more accessible and much earlier. We have developed these partnerships with limited additional resources, but we are struggling to manage the growth. One primary care practice, for example, increased referrals to the society by 900%. We have submitted a proposal, for an amount of \$4 million, to the Minister of Health and Long-Term Care to support this initiative.

Capable care partners also need concrete help. Our final proposal concerns respite—or simply put, relief—that enables care partners to recharge and to continue in their caring role. Limited respite has been available, and we acknowledge the government's past support in this area. But as the experts panel report, *Bringing Care Home*, acknowledges, respite care needs to be affirmed as a priority and made more flexible to meet care partner needs, distinct from the person with the health need to whom they provide care.

To accelerate this change, our final proposal is that the government make an investment in new beginnings in respite care. This investment would serve two purposes: to seek out and grow existing programs that offer flexible and more care-partner oriented service or, where absent, encourage new programs to emerge that meet the needs of care partners, such as day programs and overnight respite, care partner accounts and in-home supports. Certainly, here in Windsor-Essex, the Alzheimer Society has a vibrant day program on site in Walkerville, a rather extensive long-standing respite program that provides in-home care.

Investments made to improve respite for families touched by dementia will positively impact outcomes for all Ontario carers.

This week, I had the opportunity to speak with two gentlemen who are direct care providers for their beloved wives here locally who have dementia. Dr. Kai Hildebrandt is caring for his wife, Dr. Susan Wendt-Hildebrandt. He has been caring for her for 10 years. It is a full-time responsibility on his part, and he is a dutiful, loving and caring care partner.

I called to ask his permission to share their story with you briefly and he immediately gave his permission,

which I fully expected because Dr. Hildebrandt has been public about their situation. I came in the next morning to a note from him written at 11:13 p.m. that he sent. He said, "Please tell the committee there's money needed, and it can do so much good at much less cost than hospitalization or long-term care. Please tell them that with my assuming some of the care—I'd visit Susan if she were in a long-term-care facility anyway, not resulting in more hours on my part—I am spending about \$800 a month for respite, \$300 for private care, plus about 24 free hours of friends and neighbours' support per month, compared to the cost that would be for long-term care"—which we all know are much greater. If we valued those 24 hours of free care at \$20 per hour, which is actually quite modest, that'd be another \$500 or so a month. So it's about \$1,600 a month—much less expensive than long-term care.

Susan is cared for 24/7 by one-on-one care—that is in the person of he, himself, Dr. Hildebrandt—not the caregiver-to-patient ratio that exists in a long-term-care facility. "Does that affect the patient's quality of life?" He asks. "Absolutely"—in capital letters with a couple of exclamation marks. He sends that on very respectfully.

I also spoke with Dr. Jerry Cohen, who is a still-practising professor of psychology at the University of Windsor. He has been caring for his beloved wife, Anne Cohen, for many years. The Cohen family has been on care with us at the Alzheimer Society for a number of years. Mrs. Cohen has received extensive in-home respite care from the Alzheimer Society and, until quite recently, actively attended our on-site day program. Dr. Cohen indicated, the same as Dr. Hildebrandt, that certainly more dollars are needed for in-home care. Both gentlemen gave permission when I called them, but they both then contacted me within hours to give an even more fulsome message showing the importance that their voices are heard on behalf of all people affected by dementia—to be heard by you, of course.

The Chair (Mr. Peter Z. Milczyn): Thank you. That's all your time. We now have questions, starting with Mr. Barrett.

Mr. Toby Barrett: Thank you very much for the work your organization does for people with dementia and Alzheimer's. It is daunting. You describe a quarter of a million people. By and large, these people will be at home. Everybody believes in home care. The people who do it, as you've indicated, are family and friends. Government resources help out.

You talk about extensive consultation, including local consultations where 140 people came out. There has been a looming major reorganization within Ontario's health care system, particularly with respect to how we provide home care. The CCACs are ceasing to exist. There will be the creation of new entities, something like 80 what are referred to as sub-LHINs under the LHIN system. In the consultation you were involved with, did this come up? Was there any discussion around this major change?

Ms. Sally Bennett Olczak: What I would say is that people are looking for care in their homes, in their own

communities, so the sub-LHIN context, in terms of focusing on specific areas of care and partnerships of care, is inherent in the discussion. In terms of very specific discussions from people for whom we care, in terms of sub-LHINs, it's a bit of a bureaucratic term in health care system organization. So the conversations aren't generally at that level, per se; they're about care in their home with their communities and, with their very close communities, neighbours helping out. I think it very much moves in the direction of care that's wanted by the people we care for.

Mr. Toby Barrett: Yes, it is a bureaucratic term. You'd like to think that much of the reason for yet another reorganization within the health care system is to better enable more resources to be transferred from the bureaucracy to the front-line workers, people who can augment the work of volunteers and family. As far as home care, not only for dementia but for an aging population and so many other ailments, at present, 39% of the resources go to bureaucracy, not to front-line care; not to, for example, a nurse giving a needle. We seem to have a nurse sitting at a computer screen. Do you feel that that can be changed? I hope that's the intent of this change that we're involved in, that it's going to have a significant impact on how service is provided to people with dementia.

Ms. Sally Bennett Olczak: Our understanding of the sub-LHINs is that it's more focused care and better-integrated care, oftentimes with existing resources.

Mr. Toby Barrett: That truly is the mandate of the LHIN system, to integrate care. It supplanted a previous system, the district health council system, for which the overall arching mandate was coordination. Before elected, I sat on a number of district health council committees. At the time, we failed; we never achieved that goal. We never saw the coordination. With the LHIN system, in my view, we haven't achieved that integration.

1110

I think of the Alzheimer Society, and the growth of the Alzheimer's approach through your organizations over, I guess, primarily the last 15 years. Will you be integrated or will you continue on your own, from your perspective?

Ms. Sally Bennett Olczak: At the Alzheimer Society, we don't see ourselves as on our own. We see ourselves as part of a community system of health care, in constant partnership with other community care providers throughout the health care system. It's continued integration and continued growth, with the client at the centre of what we do.

All health care is local, one could argue, and the more local you get, the better it is for the Cohen families and Hildebrandt families of the province.

Mr. Toby Barrett: So within the community here, you basically have those kinds of what I consider admirable community linkages, where people get along and work together?

Ms. Sally Bennett Olczak: Very much so. We're in constant contact with the CCAC on a daily basis, my

staff, in terms of coordinated care for a person with dementia, and also many other agencies in the community.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation today. If there's something further you'd like to submit in writing to the committee, you have until 5 p.m. on January 20.

Ms. Sally Bennett Olczak: Thank you, sir.

ONTARIO PUBLIC SERVICE EMPLOYEES UNION

The Chair (Mr. Peter Z. Milczyn): Our next witness is Mr. Philip Shearer. Good morning, sir.

Mr. Philip Shearer: Good morning.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, which will be followed by five minutes of questions by the New Democrat caucus. Please state your name for the official record as you begin.

Mr. Philip Shearer: Thank you, Mr. Chair and the committee, for allowing me to sit before you today. I'm Philip Shearer. I'm an executive board member with the Ontario Public Service Employees Union, OPSEU, for southwestern Ontario—so Woodstock to Windsor, Goderich to Stratford—representing almost 14,000 members working in youth mental health care, community colleges, the Ontario public service, the LCBO, hospitals, long-term care, children's aid, correctional services and a lot of other occupational groups.

I'm not only here as an OPSEU member, but I also work in mental health, presently with the Ministry of Children and Youth Services. I've been with them for 28 years, but in the service for 39, looking after mental health and developmental clients. Pretty much all of the groups that I talked about do kind of integrate with those mental health services.

I'd also like to thank all of the speakers so far, and the questions, because it does show that we need a huge movement toward integration of all these services.

In July 2015, the Ontario government commissioned the Residential Services Review Panel. It was funded by the Ministry of Children and Youth Services. The review examined foster and group care, children and youth in mental health residential treatment, and youth justice facilities. The ministry released the report to the public in July of this year and invited feedback from the stakeholders.

It was one complex report to read, and very difficult for folks, but the authors of that report got it right. They exposed a broken and fragmented system and made 33 recommendations, most of which OPSEU strongly supports. But this wasn't the first time an external group painted a damning portrait of our systemic failures to address chronic shortcomings in the treatment of children and youth coping with behavioural and mental health issues.

Back in 2006, the Boston Consulting Group concluded that the system intended to provide support and services to these vulnerable young people was, and I will

paraphrase, confusing, complex, underfunded and staffed by underpaid professionals who often lacked the proper training. The licensing mechanism failed to focus on quality care and varied from region to region in Ontario. Access to residential services failed to meet guidelines, and waiting lists were long.

In my role as a community behaviour consultant, I work out of London, but I do go as far as Cochenour, which is right beside Red Lake. I spend a lot of time in North Bay, Val Rita and Ottawa as a community behaviour consultant for complex special needs and intensive services for the Child and Parent Resource Institute. We see a huge variance of what is happening across this province within mental health services.

This should sound familiar because, 10 years later, in 2016, conditions have deteriorated even more, according to the Residential Services Review Panel. Sadly, the issues identified 10 years ago persist today. There are quite a few reports, as you'll recognize from the dust pile, over the 10 years. We get them all, we read them and we go, "Oh, those won't be implemented either." There have been a lot over the years.

Unbelievably, there are 35% fewer beds than in 2006. Back then, there were 24,800 licensed residential beds. Today, that number stands at about 16,100. That's an elimination of more than 8,700 children's residential beds.

I know that we have individualized funding that is for the families to spend on services now, and you could ask me any question about what I think of that and how that is being implemented. That's a patchwork across this province of how families access that, who provides the service, who can hire, who can figure out who to hire, who can discipline, who can manage, who can teach, and who can do anything with not having someone in charge of that funding to a better degree.

How on earth are we supposed to properly treat the growing number of young children with behavioural and mental health issues when we have slashed residential capacity by more than a third? If someone in this room has a solution, I'll invite them to step forward.

I also sit on the CivicAction group out of Toronto and the greater Golden Horseshoe area. CivicAction is typically a group that looks at an area like Toronto and says, "How are the bridges working for the economy, how are the streets working, how are the buildings, how are the people?" Their project at civicaction.ca, if you want to check it out, is about mental health in the greater Toronto area. They're saying that one in two of us are going to work with mental health issues in the greater Toronto area, and it is costing \$1.7 billion to the Canadian economy a year. So if we do not work with these children now, just wait for the future, because the numbers I remember mid-career were one in five. So if they're saying one in two, we're in a bad state if we don't get working hard now.

How are we going to treat these young children with behavioural and mental health issues? I did that one.

A moment ago, I mentioned the OPSEU supports; many of these recommendations are contained in this

review panel. But we remain deeply troubled that the report fails to put a spotlight on the chronic underfunding that underpins shortcomings in program delivery by failing to provide an adequate level of bed capacity in the system.

We're not the only ones to hold this view. Even the employer group, Children's Mental Health Ontario, has said that the funding crisis in residential services has failed to keep pace with the demand. In its own report this year, the CMHO concluded, "Service providers can no longer afford to keep up with increasing demand and many are being forced to reduce their treatment beds and/or close their residential programs altogether."

This is what Kim Moran, chief executive of Children's Mental Health Ontario, has to say about the shameful conditions faced by young people with severe behavioural and mental health issues: "Ontario has turned its back on children and youth in desperate need of mental health services. Unacceptable wait times and insufficient access to mental health professionals have created a crisis. Many families are struggling tremendously because of this lack of access to care."

In the face of this crisis, where do vulnerable young people and their parents or guardians turn? Well, you heard it earlier. They turn to the emergency rooms and inpatient hospital admissions. Is this how we're supposed to treat some of the most vulnerable children and young people in Ontario? And those are the ones who do go to the hospital, because there are a lot who don't go to the hospital because of the stigma and shame that's attached to mental health, so they try to do it without access to services.

You heard earlier that if we can't access services—some of us can afford to pay for services on our own. But to pay for an assessment—and my job as a behaviour consultant is to help families implement that assessment. I can tell you how many months of regular weekly visits it takes to implement some of those assessments and the ongoing treatment for years to help them when they need trouble-shooting. Families cannot afford that long, extended ability, nor do they always get the indication that they need those long, extended supports to do that. Luckily for me, I've been with the government 28 years.

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Since 2006, there has been a 54% increase in emergency department visits and a 60% increase in hospitalizations for children seeking treatment for mental health issues, according to the Canadian Institute for Health Information. The institute calculates that a strategic investment of \$65 million in community-based children's mental health centres will reduce wait times and ensure that kids receive timely access to treatment. In doing so, the province will actually save as much as \$145 million in hospital costs.

You heard a mention of community-based mental health from the last person. If you check civication.ca, they also talk about the drop-in centres in the communities and how they're supporting the care that our children get.

No part of the province is immune to the crisis that is created with wait times of up to one and a half years for treatment in some regions, and more than that for some kids and some families. Children's Mental Health Ontario estimates there are nearly 9,000 kids waiting for long-term psychotherapy, such as cognitive behavioural therapy or intensive treatment for those with severe mental health issues. Those kids are in dire need, if they're going to create an economy in the future.

In the western region of Ontario, which includes Windsor and London, some centres are reporting wait times of up to seven months, and some are longer, depending on the severity of the kid who's trying to get the services. It is worse in other parts of the province. Like I said, I do go to North Bay. I do go to some of the little towns up there, and up as far as Red Lake, to support agencies in returning the children after their assessments. There's a huge variance across this province.

In eastern Ontario, wait times can be as long as two years. In northern Ontario, wait times usually exceed one year. It's the same in the fastest-growing suburbs of greater Toronto, where it's not uncommon for wait times to hit one year. This is unacceptable. As a society which claims to care for all and which, in the view of many economists, has the financial resources to provide care for all, we should be ashamed of this profound neglect.

There is no simple solution to the crisis, but let me start with a few suggestions that I know are shared by front-line workers, organized labour, employers, families and guardians.

Room in next year's budget must be found to provide for remedies before a dire state of affairs collapses into chaos. We urge the government to adopt the recommendations contained in the report of the residential services review panel. Support for these recommendations is widespread and shared by all stakeholders.

The Chair (Mr. Peter Z. Milczyn): Okay, Mr. Shearer, I'll stop you there. You've already gone a bit over. Ms. Gretzky has questions for you.

Mr. Philip Shearer: Sure thing. Thank you.

Mrs. Lisa Gretzky: Thank you, Mr. Shearer. Much like the presentation from the Greater Essex Elementary Teachers' Federation of Ontario, we could probably talk about mental health supports and education for days. The two kind of go hand in hand, as you probably heard in my other questions about the education system.

Mr. Philip Shearer: Yes.

Mrs. Lisa Gretzky: To build on that, we were talking about students with special needs, and people often think those are students with developmental delays, but those could also be students who have mental health issues, for whatever reason. It could be that there are problems at home between the parents, or a loss of a family member or a friend. We heard about students in Woodstock who, unfortunately, were taking their own lives in record numbers because they were dealing with the fact that a friend of theirs had just taken their own life, and there were no supports for the students left behind to deal with that. It really is intermingled.

We also heard how intermingled it is with even the Alzheimer Society and the caregivers of people who have Alzheimer's or dementia, and the supports that those caregivers need, because that can ultimately result in mental health supports being needed.

I recently did a ride-along with our local police officers. We're blessed to have a group called COAST, through the Windsor Police Service, where they have an officer and a mental health professional who will go to high-risk calls—someone who has called with a mental health issue—and they'll actually give the one-on-one support.

I think you touched on it a bit, the cost of not providing community supports—in your case specifically, to youth who have mental health needs—and how that kind of snowballs. You could have a youth who is saying that they are considering taking their own life, and now they're told, "Well, you're going to have to wait seven months to a year to two years. So just hang on, rethink that, and we'll get back to you in a while"—and then hope that that youth somehow manages to deal with whatever it is that's pushed them to the point of wanting to harm themselves. Often, there's the spinoff that someone will call the police department, the fire department or EMS, somebody has to go and respond, and ultimately that person is taken into the medical system, so there's a cost associated with that.

I'd like to touch on the youth justice portion of that, because I know, having been a school board trustee, that when you have students who have mental health issues and it's not addressed, and they act out at school, often they are then taken into custody by the police and there are legal proceedings. They can end up in the justice system.

I had the pleasure of meeting with people from the Elizabeth Fry Society up in Sudbury. They discussed specifically youth and females, and how if you look at northern areas compared to down here, you will see a higher number of indigenous peoples entering into the justice system, because their mental health needs aren't being met.

Can you talk a little bit about that, about how it's kind of fragmented? You did a bit, but the equitable access to services—what we have down here in southwestern Ontario and how that's different from different areas like northern Ontario, and what that means in the bigger picture.

Mr. Philip Shearer: That's a big question, because even down here in southern Ontario—even in Windsor, where there's New Beginnings, Hôtel-Dieu and Maryvale—up north you would have Hands in the greater North Bay area and you would have Firefly in the greater Thunder Bay area. The access to the services might be there because there's only one service providing a vast physical vicinity or geographical area. So you might be able to access the services in a different sort of way, but the reality is that they don't. Because it's so geographical, it's really hard to have a satellite in every little area up north, but even here.

It comes back to the school system. When we pull money out to only fund the classroom and we get rid of the psychologists and all the assessors or cut the numbers so low, the kids don't get assessed in the school system as quickly as they would. Therefore, what happens is all of my kids get kicked out of school because of the severity of their complex needs.

Then we see the families start to crash. Mom typically loses her job or goes to Tim Hortons because they have benefits for medication, and you see it just massively start to spiral out of control for the family. Then, not only does the child need more intensive services, they need to be in the hospital more. We need to plan with the police more for making safety plans on how to respond in this situation. We end up with wait times on this agency and wait times on that agency. It really spirals so fast out of control, once a child's kicked out of school, that I don't even know how to answer your question in a really succinct sort of way.

I know that in the north it's much harder to get the individualized funding and find trained professionals who can deal with the much more complex needs, and merge all the assessments and the reports, to understand the child as one child—

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Shearer. That's all of our time for today. If there's something additional that you would like to submit in writing, you can do so until 5 p.m. on January 20.

Mr. Philip Shearer: Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you, sir.

ONTARIO GOOD ROADS ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Ontario Good Roads Association. Good morning. You have up to 10 minutes for your presentation, which will be followed by five minutes of questions from the Liberal caucus. If you could start off by stating your name for the official record.

Mr. Scott Butler: My name is Scott Butler. I'm the manager of policy and research for the Ontario Good Roads Association. Thank you for the opportunity to deputate today. Also, congratulations on coming down to the Sun Parlour. Unfortunately, we weren't able to give much in the way of heat.

Nonetheless, I'm here on behalf of the 433 municipalities that are members of ORGA, out of the 444 municipalities in Ontario. We were founded in 1849. Our mandate is to advocate for municipal infrastructure.

I wanted to talk about three items at a very high level very quickly. Each of them has fairly pronounced fiscal implications for municipalities and therefore, I think, are relevant to this particular conversation.

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The first one revolves around the municipal-class environmental assessment process. Another one involves bridge bundling, or different-asset bundling, options for maintaining and rehabilitating municipal assets. The third one is enhancing municipal asset management capacity,

and this is leveraging some work that's coming out of the Ministry of Infrastructure right now.

Before that, I would be remiss in not acknowledging that this is all being brought forward by municipalities that find themselves in a cash-strapped situation. Right now, they don't have the authority to pursue revenue options that they need to finance 21st-century services and assets.

We were somewhat disappointed that Bill 68—the five-year review didn't incorporate more ambition. Municipalities were looking forward to seeing perhaps the permissions encoded in the City of Toronto Act actually included in that review. Nonetheless, we'll continue the good fight. We've been at this for a number of years and have met with many of you personally to make this argument, so you can expect to hear from us again in the future.

That said, I did want to talk, as I indicated, about the municipal-class EA process. You'll have heard from other stakeholders during the course of your deputations that this has become a bit of a bugaboo for municipalities. Right now, this process has become a burden rather than something that actually complements the construction of assets.

The Auditor General recently called these “streamlined assessments.” I'm not sure if that was an attempt at ironic humour. The reality is, for municipalities, they've become anything but streamlined. This process is involved any time a municipality wants to build a road, build a bridge, put in cycling lanes, or do anything that has any sort of environmental implication. This could be something as simple as installing guard rails or street lights.

What has happened is that the scope with which the environmental assessment is actually being used has grown significantly. In 2014, there was a survey done of 28 municipal-class EA processes, and it found that, on average, that process took 26.7 months to complete. Four years earlier, it only took 20 months. That's just the time side. On the actual financial side, it has grown by more than threefold.

Those environmental assessment initiatives were coming in at \$386,000 per project. In 2010, that was \$113,000. So what's happening is, municipalities are paying more and more to actually deliver on projects that constituents are looking for, prior to shovels even entering the ground.

What we would like to see is a bit of leadership on this. We've had direction from the Minister of the Environment previously, indicating that significant headway would be taken on this issue prior to 2016. The reality is, we've only seen some nibbling at the edges—nothing substantive that's actually going to amend this.

The second issue that I wanted to talk about is bridge bunding.

In 2013, OGRA, along with the Ministry of Transportation and the Residential and Civil Construction Alliance of Ontario, commissioned a study looking at the application of AFP processes for bridges in Wellington

county. It was done as a litmus test, to see if there were some potential savings to be realized. What we found was that of the 635 bridges that Wellington county has, if they were to bundle those together horizontally—across all the lower-tier municipalities and also in conjunction with the upper tier, the county—there was the potential for them to save \$35 million over the lifespan of those assets.

Currently, the threshold that the private sector uses for looking at and considering AFPs is considerably beyond the ability or the need of most municipalities. So this was an opportunity to potentially test what sort of uptake and what sort of benefit may be realized if municipalities, or school boards, which have similar assets in the sense that they're all of a similar type, they're all roughly the same age and they all roughly have the same needs—if those were bundled together and put forward, is there an opportunity for communities that have previously been excluded from the AFP process to actually benefit from that?

The findings bore out that, in fact, there were. What has happened is that there has been a lot of talk on this. We're in the process of reigniting the interest around this.

But if, in fact, there is the intention to deliver on the \$160-billion infrastructure investment that the province is making, and funds are allocated as wisely as possible and as prudently as possible, it would make sense that the province should step in and work with some municipalities that are interested in testing this to see if, in fact, they can realize those benefits.

The final issue that I wanted to talk about was building out asset management planning capacity. Currently, the province is developing a municipal asset management planning regulation. In order to satisfy the prescriptions contained in that regulation—in particular, the regulation is going to capture, for the first time, the idea that municipalities need to identify the levels of service they're going to guarantee and they need to do that in order to actually access any capital coming from the province. This is going to be a significant challenge for some of those smaller communities. I don't want to lose this. I think that it's really important.

For approximately a quarter of the municipalities in the province, 1% on their property tax will generate \$20,000 in income. We know that in order to actually build out and make these asset management plans meaningful, it requires some money.

What we have been arguing for, for quite a long time, is an entitlement funding initiative, where some of the \$160 billion that's going out through the province's infrastructure investment plans over the next 12 years—a sliver of that is hived off and dedicated to municipalities so that they can begin engaging private sector consultants, bringing staff on or making investments in software and other types of needs to actually make sure that what they're doing is meaningful.

They've begun this process. The regulation, when it comes into effect—I think that they're targeting January 1, 2019—will actually provide a lot of impetus for

accelerating this. That said, our contention has been, and continues to be, that a sliver of that money would actually function as a fairly effective insurance policy on the broader infrastructure investment the province was making.

With that, I'm happy to answer any questions, and again, thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much, Mr. Butler. Ms. Martins has questions.

Mrs. Cristina Martins: Good morning. Welcome, Mr. Butler. Thank you for being here today and for presenting. It's great to be here in Windsor.

I just wanted to highlight something that you said initially. You talked about the mandate of the Ontario Good Roads Association, which is to advocate for municipal infrastructure. We've had the whole week of travelling through this province—from northeastern Ontario to Sudbury to Ottawa—and now we're here today. Most of us here—at least on this side, anyhow—are from Toronto.

Mr. Lou Rinaldi: Not me.

Mrs. Cristina Martins: Not you, of course. Not you, but the three of us are.

I'm always quite impressed with how many cranes we see in this city, how many roads we have dug up, how many construction detours are happening. It's painful to get across the city oftentimes, but I always see it as progress, making sure that we continue moving our province forward.

I'm glad to see that we're in line in terms of wanting to make sure that we continue to invest in the infrastructure that Ontario needs. As you are quite well aware, since 2003, the government has invested more than \$25 billion to design, repave and expand provincial highways and bridges across Ontario. Could you tell me then: How have these investments furthered the goals of your organization?

Mr. Scott Butler: On the provincial side, if those are provincial assets, they really haven't done much for our association—

Mr. Lou Rinaldi: That's wrong.

Mrs. Cristina Martins: That's wrong.

Mr. Scott Butler: Well, I mean, there is the economic benefit that goes along with these sorts of investments. I'm not trying to deny that. Our focus has primarily been on the municipal side of the equation, however. If, in fact, I overstated that, my apologies.

I think that the broader investments that are taking place at the municipal level are beginning to bear fruit. We're starting to see headway being made. As good as those tangible things that we see—the eliminated speed bumps on the road, the new and improved parks, whatever the case may be, however those investments have manifested themselves—I actually think the more important thing that the province has done in the last little while is put the focus on asset management planning. That has given us, for the first time, an actually quantified understanding of what the need is. For a long time we have speculated and guessed, and we've had a

very wide range of understanding about what the investment needs are, but that asset management planning focus is actually giving us data that is quantifying it in a way that has never been done before. That's where the real emphasis has come, and the reality is that it has required much less funding than a lot of those capital projects have actually required. It has required a cultural shift, which has been, I think, for our members as municipalities, the most important benefit.

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Mrs. Cristina Martins: Thank you, Mr. Butler. I'm going to pass it over to my colleague Mr. Rinaldi.

Mr. Lou Rinaldi: Thanks for being here today. I apologize for interrupting, but I couldn't resist.

Mr. Scott Butler: Oh, a former councillor—

Mr. Lou Rinaldi: That's right.

You focused a little bit on small municipalities. I come from a small municipality—below 100,000. All my municipalities are below that. The asset management plan that you alluded to that actually had been very good for municipalities, I think, in the fact of the cost—I'm not sure if you're aware, but the province paid for the majority of those asset management plans. In 2007, 2008, 2009, whenever we started, there were grants given out to municipalities to achieve those goals. I just wanted to make that clear.

The other piece, too: infrastructure in smaller municipalities, which I agree is much tougher because they don't have the tax base; they don't have the volume. Can you comment on the OCIF announcement—the Ontario Community Infrastructure Fund for municipalities under 100,000; I'm not sure if you're familiar with it—that by 2018, it will be \$300 million. That's something that AMO asked for and the municipalities asked for. Is that going to have any benefit to smaller municipalities?

Mr. Scott Butler: Of course it will have a benefit.

To go back to your initial point around the grants that were provided—that's true; they were provided. Unfortunately, that hasn't sustained itself in a way that asset management plans need in order to be successful. These actually become living documents and processes that are then integrated into how the municipalities are managed. That one-time grant was really good at getting an initial snapshot. What we need, in order for the province and for the municipalities and now the federal government to be able to make prudent investments, is ongoing funding. Whether that's some sort of entitlement-based funding or if it's an agency that the province oversees where municipalities can work with expertise that's residing in Queen's Park, I have no idea. We're open to whatever is going to work for all parties involved. That's the missing link. We need that ongoing funding to make it beneficial.

With regard to OCIF, of course, moving from \$100 million to \$300 million is going to be beneficial. Those are big numbers. Unfortunately, the need, as we all recognize, is considerably larger than that—

Mr. Lou Rinaldi: It's never enough.

Mr. Scott Butler: Yes—

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Butler. That's all the time we have for today.

Mr. Scott Butler: No worries.

The Chair (Mr. Peter Z. Milczyn): If you have some written remarks that you'd like to provide to the committee, you may do so until 5 p.m. on January 20.

ONTARIO MEDICAL ASSOCIATION, PALLIATIVE MEDICINE

The Chair (Mr. Peter Z. Milczyn): Our scheduled 11:30 a.m. witness has cancelled, so our next witness is the Ontario Medical Association.

Good morning, sir. You have up to 10 minutes for your presentation, which will be followed by five minutes of questions from the Progressive Conservative caucus. Please state your name for the official record as you begin.

Dr. Darren Cargill: Thank you very much for the opportunity to provide input into your pre-budget consultation. My name is Darren Cargill. I'm a palliative care physician practising in Windsor for the past 10 years, the current section chair for palliative medicine at the Ontario Medical Association, lead physician for the Hospice of Windsor and Essex County, and past regional lead for Cancer Care Ontario.

I am here today because doctors across the province are concerned about the choices that government is making in the health care system. Every day across the province, 29,000 doctors in Ontario go to work for our patients. We are worried that the health care system that we work in is not keeping pace.

High-performing health care systems are built and maintained on collaboration with physicians. In Ontario, we currently do not have a government willing to partner with doctors.

As I know you have heard from other doctors in their presentations to your committee, we are asking that the government of Ontario support our health care system by fully funding the demand for medical care required by the needs of our growing and aging population.

Our physician services contract expired in 2014, almost three years ago. Since that time, government has unilaterally cut by nearly 7% payments to physicians for the care that doctors provide to patients.

At the same time, the Financial Accountability Officer reported in his 2016 spring financial and economic outlook report that the health care system demand will rise 3.6% a year for the next four years. The government has set funding growth for physician services at only 1.25%, nearly half of that. This is below the already restrained pace of growth of the past five years. Simply stated, the government is not fully funding the demand for medical care in Ontario.

As a physician, I believe that the decision by this government has serious implications for our patients and their families across the province. These implications are going to have a lasting effect on the sustainability of Ontario's health care system.

We know that the Ontario population is growing and it is aging. In 2016, there are more seniors than children 14

years of age and under. One in five adults is spending their time caring for a parent or a grandparent. By 2026, Ontario's eight million seniors will represent 21% of the population, and that's the current size of Quebec. By 2036, we'll reach the highest level of demand for health care, with baby boomers closing in on an average age of 75. In 2052, almost 10 million Canadians 65 years of age and older will represent between 23% and 25% of the population. That's equivalent to the size of Portugal and Greece.

With this oncoming trend, this is not the time for government to decide to fund less than half of the additional care that will be needed. This should be about investing in our system to help the patients of today and building for those of tomorrow. According to the ministry's own estimates, demand for medical care will grow by 3% per year—that's \$350 million—due to the population growth in Ontario and an aging population that needs more complex care and the need for new doctors to treat existing patients who currently can't get the timely access to care they need. Yet the government is only willing to fund a portion of that growth.

This is necessary care that every patient in our aging and growing population requires and deserves. To make matters worse, in Ontario, the number of patients struggling with chronic conditions is rising sharply. Chronic diseases include cardiovascular disease, respiratory disease, cardiopulmonary disease, arthritis and mental illness. These conditions have a huge impact on the care demanded of the health care system. These patients see physicians three times more frequently than patients without chronic conditions. They are 2.3 times more likely to visit an emergency room. The cost in 2008 alone of direct health care for chronic disease in Canada was \$148.8 billion, and this rate is not decreasing.

Some 53% of Ontarians are concerned about how well the health care system is able to assist and support those with chronic illness. Almost 80% of Ontarians over the age of 45 have a chronic condition. Of those, approximately 70% have two or more chronic conditions. With an aging population that includes more chronic conditions, there is a need for more complex care, yet the government's response has not been to fully fund physician services to match patient needs; rather, it has been to cut them.

Ontario has fewer hospitals, fewer nurses and fewer physicians per population than other similar jurisdictions. Having fewer doctors means that the ones we do have are working harder and seeing patients more to meet the demands of a growing and aging population. Instead of recognizing the service, the government penalizes it.

The basic link between higher billings and greater provision of services seems lost in the rhetoric.

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The government is failing to accept its responsibility to fund the system in accordance with the demand on the system and is threatening access to quality, patient-focused care that Ontarians need and deserve.

We understand and acknowledge the economic challenges facing this government, and we have done our

share to help. In 2012, Ontario doctors accepted a 5% cut, resulting in over \$850 million in savings to the system. We accepted this 5% cut because we knew we could make cuts in places that would have minimal impact on patient care.

Now the government is cutting the necessary growth in funding for physician services unilaterally and without regard for its impact on patients. This is unsustainable, and it is unrealistic if we want the best care for our patients and if we want the best doctors available in Ontario. It is truly a race to the bottom.

The 5% in 2012, and now 7% in the last three years—that's 12% since 2012, and that is not insignificant.

This summer, the government says they offered us a 2.5% increase and that they couldn't understand why physicians overwhelmingly rejected it. But I do. Our members thought it was irresponsible. They knew that because of previous cuts, the cuts I have just mentioned, the system wouldn't even be restored to where it was five years ago. That wasn't a step in the right direction. What kind of health care reality are we living in that the government keeps taking resources away and then presents 2.5% growth as a win when this doesn't match their own estimates for demand, let alone address years of government underfunding?

At the same time, the government has been spending a significant amount of money on new bureaucracy—the growth of LHINs and new sub-LHINs—through Bill 41 and increasing red tape on doctors. Even in a world with unlimited funds, it is unclear why Ontario needs greater health care bureaucracy. In the world in which we live, where the government is cutting funding for front-line care, this bureaucratic growth is simply unacceptable.

Ontario's health care bureaucracy already dwarfs comparable systems in Europe. Even more red tape on doctors simply adds to the burden on the health care system. Ontario doctors already spend more than 12 hours a week on non-clinical patient care, including filling out forms and navigating our complicated health care system on behalf of patients. This is why we have urged all legislators from all parties to defeat Bill 41.

Yesterday, the government of Ontario presented the Ontario Medical Association with a proposal for a renewed physician services agreement. Less than an hour later, without affording the Ontario Medical Association any opportunity to review this proposal, the minister convened a press conference and publicly revealed the details of the proposal.

In large measure, the ministry's proposal reflects many of the same elements of the tentative agreement members overwhelmingly rejected this summer. Moreover, the government's proposal did not address the fundamental concern of physicians that the government not be permitted to act unilaterally, and instead, that differences be resolved through a fair and independent process of binding arbitration.

Physicians are and always have been an essential service. They deserve binding arbitration. If there was ever a dispute that required it, this is it.

While the government has and continues to unilaterally impose their cuts on physicians, doctors will continue to do everything we can to limit the impact of these cuts on patients. Ultimately, doctors are the duct tape holding together a very broken system, working ever harder on behalf of our patients to prevent them from falling through the cracks.

But make no mistake: Unilateral cuts by the government, over the long term, means that there will be a negative impact on patients.

Our message is clear. We want the government of Ontario to fully fund the demand for medical care in Ontario to meet the needs of a growing and aging population. It is our sincere hope that the government will, in the upcoming budget, begin to reverse the trend that I have set out here today, and that the government will commit to restoring its relationship with Ontario doctors.

It is time for the government to truly put patients first and to fund the growth in the health care system. The decisions that Ontario makes today will impact patients' access to quality care in the years to come.

Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you, Dr. Cargill. Mr. Fedeli has questions for you.

Mr. Victor Fedeli: Thank you very much, Dr. Cargill, for being here. First, I want to start by thanking you for your service. I know that we speak for all of us when we tell you that we're very grateful for the extraordinary efforts that you put forward, I know, for your patients as well.

Dr. Darren Cargill: Thank you.

Mr. Victor Fedeli: There seems to be confusion, whether it's in the minds of the public or what we see and hear, when they talk about a doctor's salary. Do you think you could walk us through the fact that there is a gross and a net? Would you help us understand that? When we hear a high number for a doctor's salary, what does that really mean? Is that what you take home?

Dr. Darren Cargill: No, absolutely not. I'd be happy to.

You can pretty much think of every physician as being a small business. When we see a patient, we make a claim to OHIP, and that money comes in to the physician as gross revenue. But out of that gross revenue, a physician has to pay all of their usual expenses. They have to pay for their office space, their equipment, their employees, heat, light, medical supplies and so forth.

Unfortunately, when we see large numbers of billings being reported, that's really the gross amount that a physician is billing. It's nowhere near what the physician is taking home in income. Unfortunately, when these numbers are splashed about sensationally, it really overestimates what a physician's take-home income is.

Unfortunately, with the dispute that's going on between the OMA and the Ministry of Health right now, there is this misconception that we're talking about salaries, that we're talking about income. What we're really talking about is the revenue that physicians need in order to keep their small businesses open and provide service to patients.

Mr. Victor Fedeli: I think that's probably a pretty good explanation. Whenever we hear this \$600,000 number, we're looking at you and thinking that's what you take home, but out of that, you're paying for your rent, your assistants and that type of thing.

Dr. Darren Cargill: Absolutely.

Mr. Victor Fedeli: When we go back to the Legislature, what is it that we can tell the Legislature? What questions would you want us to ask the Premier or the health minister on your behalf, and see if we can extract an answer? What would you like to hear?

Dr. Darren Cargill: I think the simplest question that we would like to have answered is that—we are all in agreement about how the health care system grows. We're adding about 150,000 new patients to the system a year. We add new doctors to compensate for that. We agree on how much the health care system grows, how much physician services grow every year. That number is roughly 3%. The question I would want answered is, then why are we only funding it at 1.25%? To me, that just doesn't make a lot of sense.

The analogy that we often use is that if the government budgets to fight 100 forest fires in a year, what happens if there are 110? What happens if there are 120? Who is going to pay for those additional forest fires? Who is going to pay for fighting those?

Right now, unfortunately, the answer is, they're expecting physicians to make up the difference between what they budget and what the actual demand in the health care system is.

Mr. Victor Fedeli: But it doesn't seem that that just ends with physicians. When I look at the blood service—our hospital now, in order to try to survive, has cut the outpatient blood testing. You now have to go to one of the only two clinics left, but they're capped as well.

Dr. Darren Cargill: Correct.

Mr. Victor Fedeli: So they don't take any more than they should. Now, out of the goodness of some of their hearts, they continue with a few. But I find that with these caps, it changes the way our health care is provided.

I found that with the ophthalmologists as well. A year ago, I ran into one of the ophthalmologists I know, who was on an aircraft in February, and I said, "What are you doing here? Aren't you working today?" And he said, "They've cut cataract surgeries now until the end of March. They can't do them again until April 1. They've finished their quota of cataract surgeries allowed for the year"—he was talking about right across the province.

Would you agree that this is systemic in the health sector and not just exclusive to the physicians?

Dr. Darren Cargill: Oh, absolutely. It's this idea and concept of a hard cap that's really hard to get around. Certainly, if the government is only budgeting for a certain number of procedures—for example, cataracts, hip surgeries and so forth—once that quota is reached, the question is, then what? That's why we generate things like waiting lists and so forth. Once that quota has been reached, then what happens is that the patient is put on a waiting list and they do have to wait.

1200

Certainly, I would agree that physicians are not in the business of turning patients away. We don't want to. But it begs the question, who is paying for that patient's health care once that cap has been reached? Right now, the answer is that it's coming out of the physician's revenue. Physicians are either asked to see that patient and not being paid for it or they are being asked to take a reduced amount for it. That's the problem with a hard cap. We don't determine what patient demand is. We see the patients who come to us who need help, who ask to be helped. We have no control over what patient demand is. We simply try to meet that demand.

The Chair (Mr. Peter Z. Milczyn): Thank you, Dr. Cargill, for coming in today and sharing your views.

Dr. Darren Cargill: Thank you.

The Chair (Mr. Peter Z. Milczyn): If you have something you'd like to submit in writing to the committee, you have until 5 p.m. on January 20.

Dr. Darren Cargill: Great. Thank you very much.

BIOFUELS CONSULTING CANADA INC.

The Chair (Mr. Peter Z. Milczyn): Our next witness is Biofuels Consulting Canada. Good morning, sir.

Mr. Stu Porter: Good morning.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, which will be followed by five minutes of questions from the New Democratic caucus, and if you could please state your name for the official record as you begin.

Mr. Stu Porter: Absolutely. My name is Stu Porter. I'm president of Biofuels Consulting Canada.

I apologize in advance. I have a nagging cough, but I only cough when I speak, so I'll try not to—

Dr. Darren Cargill: There's a doctor in the house.

Ms. Ann Hoggarth: Yes, there's a doctor in the house.

Mr. Stu Porter: That's right. Don't let him leave.

Mrs. Lisa Gretzky: But he's in palliative care.

Mr. Stu Porter: Okay, maybe not.

I'll give you a bit of background. In my former career, I was a refinery chemist for 23 years at a Sarnia refinery, and I've been a biofuels consultant for the last 10 years. I'm an SDTC expert reviewer and also a technical adviser to Renewable Industries Canada.

Canadian-produced ethanol is at the forefront and really one of the positive news stories for the province of Ontario. Canadian-produced ethanol reduces emissions by as much as 62% compared to gasoline, and renewable diesel reduces emissions by as much as 99% compared to petroleum diesel.

The industry also generates \$3.5 billion in yearly economic activity and has created over 14,000 Canadian jobs.

In addition, our nation's ethanol and biodiesel mandates are responsible for reducing GHG emissions by 4.2 megatonnes per year. Biofuels are a here-and-now GHG

emission reduction tool. When all the benefits are included, they are a low- or no-cost benefit.

In terms of Ontario, renewable fuels reduce GHG emissions by approximately 1.35 million tonnes annually, and the Ontario Ethanol Growth Fund is a big part of that. The OEGF resulted in \$1 billion in new investment in the province, and I would suggest that expanding Ontario's ethanol mandate will deliver GHG emission reductions faster than cap-and-trade and national clean fuel standards.

On the first page: Higher renewable fuel volume requirements are a relatively simple regulatory process that will immediately deliver GHG emission benefits as other programs are properly developed and implemented. National programs don't necessarily deliver the same economic benefits to all regions; thus, provincial programs are the only way to guarantee GHG emission reductions in a province, specifically the province of Ontario.

Carbon pricing and cap-and-trade do not provide any incentive to produce more clean fuels in Canada. In fact, on their own, they can create a disincentive to do so. Renewable fuels mandates provide financial returns and incentives for companies that produce and/or adopt more sustainable practices and innovative clean technologies.

Our recommendation number one would be to boost renewable content in gasoline. Gasoline suppliers in Ontario voluntarily blend at an average of 7%. That's in spite of the fact that the provincial mandate in Ontario is only 5%. The higher blending level is probably a result of the economics of ethanol being less costly than gasoline, a situation that does not currently exist as a result of the drop in crude oil prices.

Therefore, the recommendation is that the Ontario ethanol regulation be amended to require a minimum of 7.5% ethanol and a 35% reduction by 2018, yielding an expected GHG emissions reduction of 1.6 megatonnes annually. We also would suggest increasing the ethanol blend to 10% and a 40% GHG reduction by 2020, yielding an expected GHG emissions reduction of two megatonnes annually.

I would suggest that a 7.5% ethanol blend is achievable in the short term to expand Ontario's ethanol blending capacity. The 10% level will require some blending infrastructure to be built, requiring a longer implementation period, and will encourage the expansion of domestic ethanol production.

There are only a handful of E85 stations in Canada. The reason for that is that there is no tax relief for ethanol, and at those higher blends, there just isn't an economically viable opportunity. In the US, it's a different tax structure, so there are a number of E85 stations—I think more than 3,000, and probably closer to 4,000 by now.

Although we have a lot of FFV vehicles in Canada and in Ontario, there is no opportunity for the users of those vehicles to get those higher ethanol blends in order to get the GHG reductions for which they purchased the vehicles.

There are over two million FFVs in Canada, and over half a million in Ontario. As mentioned, the owners can

only at best purchase E10 regular gasoline from pumps, and have no opportunity to buy anything higher that would achieve greater GHG reductions.

The other option in the near term is mid-level ethanol blends for FFVs. Part of the reason that it's an unattractive opportunity for E85 is that it's known that for those higher-ethanol blends, there is a mileage penalty—for E50 to E85—so that mileage penalty is reflected in the pump price. That's in part why that's an unattractive opportunity. The difference with mid-level ethanol blends in the E20 to E25 range is that there have been a number of studies done in the US that have demonstrated that there is a minimal mileage penalty, so therefore there is no corresponding price penalty at the pump for that.

That makes the mid-level blend an opportunity that is economically viable, and it's also attractive for users, especially those who have FFVs and pickup trucks. Our son has a Silverado and is anxious to be able to take advantage of the higher octane that will come with that mid-level ethanol blend.

The one slide, just for your edification, shows, as of 2014, the number of FFVs in Canada, and also shows hybrids and some others as well. There are studies that have shown that we have roughly 7.5% FFVs in Canada, and Ontario is pretty similar, roughly around 6%.

Ontario ethanol reduces GHG emissions by just over 1.3 kilograms per litre of ethanol. With the 560,000 flex fuel vehicles in Ontario using an estimated 2,000 litres of each fuel, that would give a total of 224 million litres of ethanol, or 290,000 tons of GHG reduction. The incremental benefit of being able to blend at E20 as opposed to the current E10 would be half that, at 145,000 tons.

There is currently a CGSB—which is the Canadian General Standards Board—ballot to add a mid-level grade of E20 to E25, and I'm the one who is looking after that. It will be balloted this next spring.

There are currently pumps that are approved for E25. We have a supplier called Wayne Fueling Systems, based in Brighton, Ontario, and I have spoken with them several times. The pumps are already available, certified and here in Ontario.

However, it does require some infrastructure. I've looked into the cost of the retail pumps as well as the storage tanks needed, and it's not a huge cost, but it is a cost. This is one of the things that was mentioned in the climate change action plan.

1210

Another thing that's relevant is that tier 3 vehicles are ready for rollout in 2017, the first mandatory year, but, in terms of octane, tier 3 doesn't really require any higher octane. However, the 2017 to 2025 CAFE tier 3 vehicles and regulations will require improved fuel economy and higher-compression engines. Those higher-compression engines will require higher octane in the order of 100 RON, or research engine octane. Currently, most of the pumps in Ontario have 87 octane with E10; premium is typically 91 octane with zero ethanol; and the mid-grade is just simply a blend of those two. When the tier 3

CAFEs come into play, they're going to require a fuel that's not out there now.

As part of that, we've just developed standards at ASTM for certification fuels so that the OEMs can design those engines. It's a performance-based standard that allows up to E50. But the current thinking with most of the OEMs is that it's going to be in the E20 to E25 range. The merit of that is, if pumps are put in place now for E20 to E25 for flex-fuel vehicles, those won't be stranded assets and those same pumps can be used when we get into the tier 3 CAFE vehicles, post-2020.

The Chair (Mr. Peter Z. Milczyn): Okay, Mr. Porter, that's your 10 minutes. We'll now have questions from Ms. Gretzky.

Mrs. Lisa Gretzky: Thank you, and I appreciate your presentation. We should talk further because I will have more questions than my time allows.

First, I'd like you to explain—I know it's written in the presentation, but just so that it actually goes on the written record—what FFV means. I think I drive one, actually.

Mr. Stu Porter: Fair question. It's a flex-fuel vehicle. Because there are so few flex-fuel-vehicle fueling stations in Canada, many owners don't even realize they have one because of that. It does allow up to 85% ethanol in the vehicle, anything from zero up to 85%.

Mrs. Lisa Gretzky: And the only reason I know I drive one is because it says so on the little emblem.

So what you're saying, then, is ethanol is a greener alternative to what we fuel our vehicles with now and that it is also a less expensive product. They mix it now with gasoline because it is a less expensive product.

Mr. Stu Porter: Correct.

Mrs. Lisa Gretzky: That's fantastic, with the fact that it's going to cost less and that it's also greener. All we have to do is stand on the waterfront here, watching Zug Island, when you hear the whistle blow and the big cloud of red smoke comes out and you wonder what kind of stuff we're breathing over here. Certainly, standards over here that would protect our environment—we can't stop their stuff from blowing over here, but we can do some work to protect our environment. It certainly needs to be done in a fair and reasonable way when it comes to businesses and their emissions.

In your presentation, it does say that ethanol is more economical, and you go on to talk about engine manufacturing. Coming from an auto town, I know that there is a move within auto manufacturing towards lighter-weight vehicles because they cost less to fuel, because they are lighter-weight bodies. Do you think that in the near future—so I'm not talking about tomorrow, but within the next 10 to 20 years—you're going to see more and more of a shift in auto manufacturing towards ethanol because it would be a saving to the consumer? So they're building lighter-weight vehicles that would take less gas, but now they're going to be building engines that would require more ethanol because that's a saving to the consumer. It's almost an incentive for a consumer to go out and buy one of those vehicles. Do you think that manufacturing is going to move in that direction?

Mr. Stu Porter: I can't speak to the fuel pricing because that's kind of separate, but in terms of the OEMs and what they're going to produce, yes, absolutely. In terms of ethanol, it's the lowest-cost high-octane component for blending gasoline, and so that's why it's seen as attractive. In my standard that I'm doing at CGSB, one of the OEMs is actually working alongside me because they're very much in favour of not only the mid-level for the flex-fuel vehicles, but also, seeing that two or three CAFE standards are coming, they're already designing those engines that are going to require that higher octane even today.

Mrs. Lisa Gretzky: So there would be—unless I misunderstood, and you can certainly correct me—some retrofitting or some changes that would need to happen at the stations that we see on the corners, where we go to fuel our vehicles. There would have to be some changes made. Do you have any idea what kind of cost those suppliers would be looking at in order to retrofit or change their pumps?

Mr. Stu Porter: Good question. I've made some inquiries. It's in the order of \$25,000 to \$50,000 to put in an additional retail pump, and in the order of \$100,000 to \$150,000 to put in the additional storage tank. So it's not a huge cost, but it is a cost that's going to need to be borne. Incentives along that line that would help ease that burden would help the deployment.

Mrs. Lisa Gretzky: You just answered the next question that I was going to ask, but I want to ask it for the record. Your suggestion, to offset the cost to the suppliers, to the gas stations, would be some sort of credit or incentive, much like how you can retrofit your home: You can renovate to make it more energy efficient. There are often government programs that help offset that cost. You're suggesting that if and when there is a move more so to ethanol at your little corner gas stations and such—well, some of them are big—there would be some sort of financial incentive or tax break or something in order to help them shoulder that cost.

Mr. Stu Porter: Yes, exactly. I'm hopeful that the mid-level for the flex-fuel standard at CGSB will be passed this May, so that can be a near-term solution.

The Chair (Mr. Peter Z. Milczyn): Thank you. That's all of our time for today. If there's anything further you'd like to provide to the committee in writing, you can do so until 5 p.m. on January 20.

SOUTHWESTERN ONTARIO GLEANERS

The Chair (Mr. Peter Z. Milczyn): Our final witness of today is the Southwestern Ontario Gleaners. Good afternoon, gentlemen. You have 10 minutes for your presentation, followed by questions from the Liberal caucus. Please state your names for the official record as you begin.

Mr. George Paisiovich: My name is George Paisiovich. I'm a volunteer with the Gleaners.

Mr. Vern Toews: My name is Vern Toews. I'm a volunteer with the Gleaners. I'm the past chairman and, presently, the chair of the fundraising committee.

Mr. George Paisiovich: For our presentation, I was going to say a few remarks, turn it over to Vern, do a bit of a wrap-up, and then we would be glad to take your questions.

First of all, thank you for your service as MPPs. This is all part of the glamorous life on the road of members of provincial Parliament, and we do appreciate you folks coming down here and being with us.

The Bible talks about leaving some of the food in the fields for the poor to glean. It's that principle that the Gleaners have—what they do is they take unmarketable foods. If you have a contract for carrots, it has to be a certain size. If it's not that size, where does it go? Too often, it goes to landfills. The largest thing that fills landfills is food. What Gleaners basically do is they take that, dehydrate it, process it and make it available all over the world free. The reason that we're here today is because the model that they've developed has been proven to work and now we want to expand it. We want to really increase the capacity.

Next, in terms of some of the benefits—certainly lower landfills. Transportation is much cheaper because you're reducing the weight and size by 80%. North Bay and some of the northern folks can appreciate the significance of that. It's low-impact in terms of storage. It requires no special mechanization or anything. It's very low-energy. You need a metal pot, some water and some heat. It's very high in fibre, iron, B₁, B₆, vitamin C, protein. It's easily incorporated into cultural and personal preferences. Whether it's rice, moose meat etc., it's very adaptable. It's very useful with emergency responses as well.

One of the most significant parts of this is that we can produce it for about four cents a serving. I challenge you to find anything else out there of what's going into food banks and the rest of it that can match that sort of efficiency compared to the nutritional value of it.

1220

Vern here is a graduate of the University of Guelph in horticulture. He was an ag research assistant with Del Monte. He was a greenhouse grower, he was a field tomato grower and he was on the Ontario greenhouse growers' marketing board. He is a former chairman of a co-op that owned a food processing plant. He has been doing this for 52 years. He's got great passion.

I'm going to turn it over to Vern.

Mr. Vern Toews: Thank you, George. I am supposed to be a retired farmer, but I'm actually a recycled volunteer. My wife has hired a divorce lawyer and a marital counsellor. But here I am.

As George has pointed out, I've been with this organization for five years. Our mandate is very simple: We take the waste of 45% of what we produce and we turn it into dehydrated vegetable soup mix and apple snacks. We donate it to charities for distribution around the world and to food banks within Canada and in the school system.

We also have started something new, for a gleaner's operation. The other gleaners in Canada, of which there

is a total of eight—we're the eighth one. There are three in Ontario, there are two in Alberta and three in British Columbia. We also have started taking some of this 45% of waste, namely, carrots, potatoes and so forth, and we're donating it fresh. There is a carrot operation within a half an hour of here. They will throw away up to seven, eight and nine semi-tractor loads a day for three months. Why? Because they are only producing and packaging mini carrots.

My grandchildren in Toronto think that mini carrots grow that way in the soil. They do not. They grow this big and that big, okay? So there is tremendous waste. We're taking this and we're diverting it from the landfill.

We have a little operation in Leamington. Let me describe what we are. We have leased a 10,000-square-foot building which houses a washing line and an inspection line for up to 30 volunteers. We're averaging 22 per day. We run five days a week; 50 weeks of the year we hit it really hard. Also, we have a half-hour time of fellowship and coffee. It's become the second home for a lot of our local adults and old-timers, like me. It's a wonderful little organization.

I want to talk about distribution. Although we're a small operation, this past year, we have produced and distributed 2.8 million servings of soup mix and apple snacks. What's a serving? A serving is a large cup. When we give these to the various countries around the world—most of these countries are very poor. They have white rice. Those of you who are nutritionists will know that white rice does not sustain life. If we get them a cup of our soup mix, it sustains life. Other countries may have pasta or fish or whatever else.

I want to list, if I may, the places that we have gone to. We've gone to Haiti four different times. There's an organization here in Windsor, Ground Effects—anybody here from Windsor? Nobody? They've just taken the second big load. We're feeding 900 kids in one orphanage in Haiti as we speak. We sent them enough food for four months. Hurricane Matthew took off the roofs of all four buildings, but the 900 kids are alive.

We have gone to Africa, New Guinea, Zambia and Mauritania. In New Guinea, we fed 50 Muslim children every day for two years. They called this product Canada sauce. We're going to patent that name, aren't we?

In Zambia, we just got word back. They call it Canadian relish. The parents told our workers over there that not only did we give them hope; we gave them dignity. We made them feel rich. This one bag—that felt rich.

We have gone to the Ukraine, my homeland, twice now. Mr. Putin and his friends are in Donetsk, as you know, killing a lot of people. There are two million displaced people in Ukraine and we have sent 1.1 billion servings to them in the past six months.

We have donated apples to the VON for distribution to the local school system, and to the Goodfellows in Leamington and Windsor for needy families.

We've also donated soup mix, apple snacks and fresh produce to a local food bank hub called Plentiful Harvest

in Windsor. They feed 15 food banks from their one hub, and we've partnered with them. They're the ones who developed this new recipe for us.

Where's Phil? I want to recognize Phil. He is also on our board of directors. He keeps me honest and on the straight and narrow. He is working with Street Help and a food bank called Feeding Windsor.

When we send this soup mix to Haiti or Africa, people are hungry and starving. They'll eat it, right? No matter where we go, they're happy. When we send this to food banks or First Nations in Canada—they like junk food; they don't like this. So we went to Plentiful Harvest and we had them produce for us a brand new recipe. They have added for us either beef broth or chicken broth, and we've added various spices and so forth. Now we have given this to various people—we probably work with about 300—to test this product. It's going over very well. Anyway, that's the new recipe.

What else have we got to do here?

Interjection.

Mr. Vern Toews: We're running late? All right. I talk too much.

I have a vision. When you get old and senile, you have visions, you know what I mean? We have a 10,000-square-foot building and we're maxed out. We've done very well. The new vision includes the following: We want to go to a new building of 17,000 square feet. We want to have a dehydrator that will be 15 times more productive than our present one. I have organized four lines for carrots and potatoes, for onions, for fresh-pack and dehydrated apple snacks, as well as fresh apples with calcium ascorbate. You can buy them at McDonald's, for example. I have commitments for \$1.2 million for a building and we're asking both governments to match that to let us start this new enterprise.

I can tell you folks, I would not be here wasting your time or mine if I didn't think that we, the Gleaners, could not help address the dreadful food nutrition crises in Canada, and at the food banks and the First Nations. If I didn't think we could help, I wouldn't be here. I wouldn't want you to have me here.

Thank you. Help us.

The Chair (Mr. Peter Z. Milczyn): Thank you, sir. We have questions from the Liberal caucus. Ms. Martins.

Mrs. Cristina Martins: Thank you for being here. It's great to be on your home turf here in Windsor. I last saw you—both, I believe—in Toronto.

Before I get on to the questions, I just wanted to correct a record here. When we are in the House, we have the opportunity to correct our own records. I'm sure if the member opposite was in the House, he would probably want to correct his own record. Mr. Barrett earlier said that 39% of all health care funding goes to administration. In fact, administration costs for the health care system in Ontario in 2015-16 were 5.6%. I think it's important that we just clarify that.

But thank you so much for being here, and thank you—

Mr. Toby Barrett: Point of order.

The Chair (Mr. Peter Z. Milczyn): Hold on, a point of order: Mr. Barrett.

Mr. Toby Barrett: Maybe I misspoke but 39% of health resources allocated to home care, which was the topic of the presentation, is bureaucracy.

The Chair (Mr. Peter Z. Milczyn): Thank you very much.

Ms. Martins, proceed with your question for our witness.

Mrs. Cristina Martins: Thank you for clarifying.

Thank you, once again, for being here. It's so great to see you here. I was super impressed by your day at Queen's Park. I took home a lot of these snacks for the kids. Today, I can use some of that hot soup, let me tell you.

Thank you for not only providing hope but providing dignity for those who require it most.

We all know how great the food in Ontario is, and that Ontario produces many high-quality, delicious foods and agri-food products. My husband grew up not too far from here in Chatham, Ontario, so I know the type of quality products that we get here in Ontario—and it's always great to visit the mother-in-law because she always packs a bag with a lot of homegrown stuff.

As of January 2014, farmers have also been able to get a tax credit for any donations of agricultural products to community food organizations, such as food banks. When we buy local, we help create jobs and expand the province's agri-food sector. Do you believe that this will have a positive impact on your organization?

Mr. Vern Toews: It already has, yes. We're using it regularly. A lot of farmers don't do it for that reason; they do it for other reasons. But we give it to them and they do appreciate it.

Mrs. Cristina Martins: Fabulous. That's great to know.

I'm the MPP for Davenport, a very urban, downtown Toronto riding, and have some great organizations that run—

Mr. George Paisiovich: FoodShare.

Mrs. Cristina Martins: FoodShare—exactly. They unfortunately just moved out, but I still keep in touch with them as well.

Can you just let us know how food banks access your product? What do I tell one of the food banks in my riding? How do they get your product?

Mr. Vern Toews: We've been in operation for two and a half years. The first two years in operation, as I said before, this product did not meet with favour. The apple snacks did. With this new recipe, which is only about two months old, we're now going to take this to whoever wants it.

We've been focusing on Essex-Kent for now, but certainly we've done a bit of work in Kitchener-Waterloo. We're prepared to go wherever we get a call. We have a lot of product, and we can go all over—well, we shipped a load to Sandy Lake First Nation last week. We were on The National, by the way, folks, with Wendy Mesley last Friday night.

Mr. George Paisiovich: To give you extra context, with this new equipment, if we expand, we would be able to produce 50 million servings a year, and then each year after that: a nutritional, easy-to-store-and-transport food. We're asking the government to do what we ourselves are prepared to do.

Mr. Vern Toews: A different way: Right now, our three million servings are feeding 7,000 people once a day, every day, for a whole year. Now do that times 50 and it's 100-and-some-thousand people. It's amazing what you can do by dehydration.

Mrs. Cristina Martins: You said that in 2016, you had 2.8 million servings delivered. The goal would be, with this new equipment and a new facility, to be able to augment that to 50 million servings in the year.

Would you have sufficient damaged product, or your supply, to be able to meet the 50 million?

Mr. Vern Toews: This new dehydrator can take only one semi load per day. In Wheatley, Ontario, they're dumping seven to nine per day now. I got a load of potatoes yesterday from Alliston, Ontario. I got a whole tractor-trailer load. He said, "How many more do you want?"

We have no idea of the waste that goes on. I didn't know it, and I'm a farmer. I didn't know it was that bad.

A buddy of mine went hunting last week. He came up to Watford. He walked into a field—25 acres of rutabagas rotting in the field, unharvested. Twenty-five acres: Do you know how many semi loads that is? A lot.

Mr. George Paisiovich: It's really sad.

The Chair (Mr. Peter Z. Milczyn): Thank you, sir. That's all the time we have for today.

Mrs. Cristina Martins: Thank you very much. Fantastic.

Mr. Vern Toews: Thank you for your time.

The Chair (Mr. Peter Z. Milczyn): Thank you for coming out today. We met a few weeks ago in Toronto.

Mr. Vern Toews: Yes, we did.

The Chair (Mr. Peter Z. Milczyn): We're all very grateful for the wonderful work that you do.

Mr. Vern Toews: Sorry you brought us some cold weather, sir.

The Chair (Mr. Peter Z. Milczyn): I want to take this moment, though, on behalf of the committee, to thank the Clerk, our research staff, Hansard, our interpreters and our technical support for all their incredibly hard work on this tour, and every day throughout the year. Their days are much longer than ours. Their work is not finished when it comes to the witnesses and testimony that we've heard over this past week. They still have a lot of work to do.

I also want to thank our silently suffering caucus support staff who follow us around the province. I thank them for their work.

On behalf of the committee, we're very grateful and we wish all of you a merry Christmas and happy holidays.

The committee is adjourned until Wednesday, January 18, 2017, at 9 a.m., in Toronto.

The committee adjourned at 1234.

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